



RECORD OF WORLD EVENTS

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Establishment of TEC

Two significant steps towards majority rule were completed in December with the installation of the multiracial Transitional Executive Council (TEC), giving the disenfranchised African majority a legal role in central government for the first time [see p. 39622], and parliamentary approval of the interim constitution providing for non-racial elections [see pp. 39722-23].

Composition of TEC

In a low-key ceremony on Dec. 7, representatives of the groups and parties participating in the TEC took their seats in a parliamentary building in Cape Town previously used by the defunct President's Council [see p. 39302]. As expected, the Freedom Alliance parties [see p. 39670] did not attend, nor did the Pan-Africanist Congress (PAC).

The TEC announced on Dec. 9 that Deon Rudman of the Justice Department and National Peace Committee would be its executive director, with Janet Love of the African National Congress (ANC) and Theuns Eloff as his deputies.

On Dec. 15 the TEC agreed on the composition of its seven subcouncils [see p. 39622]. It also approved the membership of an Independent Electoral Commission (IEC): chaired by Judge J. C. Kriegler, its 11 members were drawn from a broad spectrum and included Helen Suzman, veteran politician of the Democratic Party, the Rev. Frank Chikane, the general secretary of the South African Council of Churches, and Oscar Dhlomo, founder and executive chairman of the Institute for Multi-party Democracy. The IEC was charged with organizing and verifying the elections scheduled for April 27, 1994.

Initial actions of TEC

The first substantive act of the TEC was to approve a government application to the IMF for a loan equivalent to SDR 614,430,000 (about US\$849 million) under the compensatory and contingency financing facility (CCFF) to counteract balance-of-payments problems. This was approved by the IMF on Dec. 22.

The drawing was South Africa's first use of IMF credit since 1982, and would help compensate for a shortfall in merchandise export earnings and an

Participants in the TEC

South African government; National Party; Democratic Party; African National Congress; South African Communist Party; Labour Party; National People's Party; Progressive Party; Solidarity; Natal-Transvaal Indian Congress; United People's Front; *Dikwankwetla* ("Strong") Party; *Intando Yesizwe* ("Will of the Nation") Party; *Inyandza* ("bundle" or "cluster") National Movement; *Ximoko* ("Whip") Progressive Party; Cape traditional leaders; Orange Free State traditional leaders; Transvaal traditional leaders; Transkei government; Venda government.

unexpected increase in cereal imports for the 12 month period ended June 1993.

Meeting on Dec. 9 the TEC approved a R 18,500,000 (about US\$4,200,000) budget for itself, covering the nine-month period to June 1994, to be provided by the state.

Giving a clear indication of its intention to assert its authority over all the country's affairs, the TEC on Dec. 9 ordered the deployment of units of the South African Police and the South African Defence Force (SADF) in northern Natal, including parts of the non-independent Kwazulu bantustan ("homeland"), to deal with escalating violence.

The TEC also called on the Kwazulu Police (KZP) to provide it with a full report within three days on allegations of hit-squad activities by KZP members. This demand followed the publication on Dec. 8 of a report of the Goldstone Commission into political violence, which revealed that five KZP members had been implicated in a hit squad. The report said that according to "credible evidence" the five, who had received SADF training, had been responsible in the period 1992-1993 for the murder of at least nine people including ANC leaders and supporters.

Adoption of Interim Constitution

On Dec. 22 the tricameral Parliament ratified the interim Constitution endorsed in November by the multiparty negotiating forum [see pp. 39722-23]. The voting was 237 in favour and 45 against, most of the latter being members of the Conservative Party. With the new Constitution providing for non-racial elections, the parliamentarians effectively voted themselves out of existence.

The constitutional developments were not accepted by right-wing parties.

On the day of the inauguration of the TEC, Afrikaner extremists occupied Fort Schanskop, a 19th century fort near Pretoria, in protest at the "Communist-led" body.

Both the government and the ANC made successive attempts to persuade the Freedom Alliance (formed in October—see p. 39670) to participate in the TEC and to accept the interim constitution. Last-minute talks between the ANC and the Alliance finally broke down on Dec. 21 when it became apparent that agreement could not be reached on Afrikaner self-determination. However, both sides agreed to resume talks in the new year.

Lifting of UN oil sanctions

On Dec. 7 the UN General Assembly lifted the oil embargo against South Africa to allow the free supply of petroleum and petroleum products, and foreign investment in South Africa's petroleum industry. The General Assembly had promised in October, when it lifted economic sanctions [see p. 39670], to revoke these non-mandatory sanctions once the TEC had been inaugurated.

Acquittal of Gqozo

Brig. Joshua Oupa Gqozo, the military leader of the Ciskei bantustan, was found not guilty

in the Ciskei Supreme Court on Dec. 13 of murdering a political opponent [see pp. 37952; 39723]. The ANC reacted angrily to the verdict and said that a future government would reserve the right to have Gqozo brought before a South African court to face charges over the killing.

■ Last article pp. 39722-23; reference article pp. R21-22.

ANGOLA

Lusaka peace talks

Although no final peace settlement was concluded, significant progress was apparently made in December during negotiations in Lusaka, Zambia, between the government and the rebel National Union for the Total Independence of Angola (UNITA). [For beginning of negotiations in November see p. 39724.]

By mid-December there appeared to be agreement on the principles, mechanics and timetable for a ceasefire and on arrangements for the demobilization, confinement and disarming of UNITA forces. Reports suggested that agreement had also been reached on key issues concerning the formation of a unified army, and in particular that a formula had been found to overcome differences between the two sides on the integration of senior UNITA officers.

Further progress was hindered by UNITA's temporary withdrawal from the talks on Dec. 13, but the organization subsequently agreed to resume negotiations, after a UN investigation had rejected its allegation of a government attempt to assassinate UNITA leader Jonas Savimbi.

On Dec. 22 the talks were adjourned until Jan. 5. The UN Secretary-General's Special Representative, Alioune Blondin Beye, expressed optimism about the outcome, declaring that "we are not far from concluding the Lusaka protocols because all the difficult questions are behind us and we have already created conditions for resolving the main ones". Nevertheless, he would not authorize a ceasefire before all disputes had been settled.

In recognition of the success of the talks the UN Security Council on Dec. 15 extended the mandate of the UN Angola Verification Mission (UNAVEM II) until March 16, 1994. It also agreed to postpone the implementation of additional sanctions against UNITA [see pp. 39623; 39724].

■ Last article p. 39724; reference article p. R3.

ZAÏRE

Declaration of Shaba autonomy

The southern Shaba Province, whose attempted secession had precipitated the civil war in 1960 [see pp. 17639-50], again declared "total autonomy" from the rest of Zaïre and reverted to its old name, Katanga. The announcement was made by the Governor, Gabriel Kungwa Kumwanza, speaking at a rally in Kolwezi on Dec. 14 which was also attended by Jean Nguza Karl-i-Bond, Deputy Prime Minister in the government of Faustin Birindwa and head of the separatist Union of Independent Federalists and Republicans (UFERI).

UFERI subsequently attacked the Mobutu-appointed Birindwa government for failing to introduce regional autonomy. In a statement on Dec. 21 it said that it no longer felt bound by the political contract linking it with the government, and invited its other provincial political committees "to fight in conformity with the Constitution for the establishment of autonomous structures in their respective regions".

Currency reform

Following the introduction of a new currency in October [see p. 39672], old banknotes ceased to be legal tender on Nov. 30. At least three lives were lost in violence linked with the currency reform.

On Nov. 30 it was reported that two people were killed in looting in Kananga, Kasai Occidental province, where soldiers had been angry with shopkeepers who had rejected the new currency. On Dec. 13 one person was killed in Mbuji-Mayi, some 150 km east of Kananga, when soldiers opened fire on a crowd protesting at the change.

On Dec. 5 the government introduced new arrangements for state payments and new controls on private bank accounts, in what were presented as moves to control inflation and stabilize the exchange rate.

■ Last article p. 39672; reference article pp. R25-26.

GABON

Re-election of Bongo

Facing opposition candidates for the first time since taking office in 1967 [see p. 22422], Omar Bongo was re-elected President on Dec. 5. However, the announcement of his victory sparked serious unrest with protesters alleging electoral fraud.

According to official results published on Dec. 10 Bongo secured 51.07 per cent of votes cast. He thus avoided a second round run-off against his main rival, Fr Paul Mba Abessole, leader of the *Rassemblement national des bûcherons* (RNB—National Rally of Woodcutters), who took 27.48 per cent of the vote. The remaining votes were shared by 10 other candidates.

News of Bongo's victory provoked rioting in Libreville in which several foreigners, both African and European, were assaulted. These attacks were thought to be linked to dissatisfaction at international election observers who had reported "no obvious or deliberate fraud". At least three people were reported killed when members of the presidential guard opened fire on demonstrators. Calm had returned by the end of the month following the imposition of a night-time curfew on Dec. 11.

Parallel government

On Dec. 10 Mba Abessole called for the elections to be annulled, accusing Bongo of "high treason" and of organizing an electoral coup. Claiming victory for himself, he announced the formation of a rival administration to be headed by André Kombila Koumba, first secretary of the RNB. This parallel government was given "three missions": to prepare fresh presidential elections, to restore social peace and to maintain national unity.

On Dec. 12 Mba Abessole announced the formation of a "High Council of the Republic" which included a majority of the opposition presidential

candidates. He told supporters that the High Council would "assist" him and give him "their opinion on the major problems concerning the life of the nation".

Addressing the country for the first time since the election, Bongo on Dec. 14 accused the parallel government of "insurrection". He warned that such "disorder" would not be tolerated and announced that steps would be taken to ensure that all those who were "members of this so-called government [were] dismissed". On a more conciliatory note he suggested the formation of a government of "broad consensus" including all political parties. However, this proposal was rejected on Dec. 15 by Mba Abessole, who reiterated his claim that he was the sole legitimate president.

■ Last articles pp. 39548; 39629; 39725; reference article p. R11.

CÔTE D'IVOIRE

Death of Houphouët-Boigny

President Félix Houphouët-Boigny, 88, died on Dec. 7 at his home at Yamoussoukro, now the national capital. His death came 33 years to the day after Côte d'Ivoire's independence, achieved under his leadership.

Regarded as the elder statesman of francophone Africa and the principal African ally of successive French governments, Houphouët-Boigny had used his leadership of the African Farmers' Union to gain political influence in the 1930s and 1940s. He was elected to the postwar French Constituent Assembly in 1945 and to the French National Assembly the following year, remaining a Deputy until 1959, and holding ministerial posts in five French governments until 1959. He was President of Côte d'Ivoire for seven consecutive terms from 1960.

Konan Bédié's assumption of presidency

On Dec. 7, Alassane Ouattara, the Prime Minister, having earlier announced the President's death, moved into the presidential offices where he chaired a Cabinet meeting. It was reported that military chiefs had pledged loyalty to his government.

However, later that evening Ouattara's long-standing rival Henri Konan Bédié, President of the National Assembly, citing Article 11 of the Constitution (stipulating that the holder of that office should complete the presidential term in case of the incumbent's death), went on television to announce that he had taken over.

Neither Ouattara nor his allies apparently made any attempt to block Konan Bédié's assumption of office which, decisively, was backed by France. On Dec. 9, pro-government media reported that the Supreme Court had confirmed Konan Bédié in office, and that the armed forces had pledged loyalty to him.

Appointment of new government

Following the resignation of Ouattara and his government on Dec. 9, Konan Bédié on Dec. 15 appointed Daniel Kablan Duncan, hitherto Ouattara's Minister-Delegate for the Economy, Finance and Planning, to succeed him at the head of a 24-member government.

Among the most powerful figures in the Cabinet, observers identified a "triumvirate" of

Emile Constant Bombet (continuing as Interior Minister), Léon Konan Koffi (continuing as Defence Minister), and Gaston Ouassénan Koné (a new appointment as Security Minister) who, it was widely suggested, would be charged with managing Konan Bédié's electoral campaign for the presidency in 1995. Amara Essy, at Foreign Affairs, was another of eight ministers of the former government to retain his portfolio.

■ Last article p. 39719; reference article pp. R8-9.

GUINEA

Presidential elections

President Lansana Conte, who had held office since a 1984 coup [see pp. 32955-56], was confirmed in office in the country's first multiparty elections on Dec. 19. However, voting took place amid violence and confusion.

At least 12 people were reported killed and several dozen wounded as gangs of youths attacked polling booths. Arguing that more preparation was needed before a free and fair election could take place, *Changement démocratique* (CD), a coalition of 30 parties, had in the run-up to the elections called for a boycott of the polls. However, 24 hours before voting started all but two of the parties had apparently decided to participate. Although opposition supporters were confused, the official turnout figure was 78.48 per cent.

Several opposition leaders called for the results to be annulled, complaining that many of their supporters had not been able to cast their votes because they had not received voting cards.

On Dec. 28 a number of supporters of opposition leader Alpha Conde were arrested. Condemning the action, Conde called opposition supporters to remain calm in the face of government "provocation". However, he warned that the opposition would not accept the election results.

Guinean presidential elections

Candidate	Percentage of votes
Brig.-Gen. Lansana Conte (Party of Unity and Progress)	50.93
Alpha Conde (Rally of the Guinean People)	20.85
Mamadou Bah (Union for the New Republic)	13.11
Siradiou Diallo (Party of Renewal and Progress)	11.64
Facine Touré (Union for National Prosperity)	1.37
Three other candidates	2.1

■ Last article p. 39674; reference article p. R12.

EQUATORIAL GUINEA

New government

Following the November election victory of his Democratic Party of Equatorial Guinea (PDGE) [see p. 39719] Silvestre Siale Bileka was reappointed Prime Minister by President

Principal members of Equatorial Guinea Cabinet

- *Silvestre Siale Bileka Prime Minister and Head of Government
- *Anatolio Ndong Mba Deputy Prime Minister, Minister of Economy and Finance
- +Alejandro Evuna Owono Asangono Minister of State in charge of Special Duties
- *Antonio Fernando Nve Ngu Minister of State for Transport, Information and Communications; Government Spokesman
- *Miguel Oyono Ndong Mifumu Minister of State for Foreign Affairs and Co-operation
- *Julio Ndong Ela Mangue Minister of State for the Interior
- +No change.
- *Altered responsibilities.

Teodoro Obiang Nguema Mbasogo on Dec. 21.

A 38-member Cabinet, announced on Dec. 22, was composed entirely of PDGE members. Key portfolios were assigned to members of the outgoing government. It was noted that the new members included, as Minister-Delegate for Foreign Affairs and Co-operation, a former political police chief Feliciano Mbato Obama Nsue Mangue, who was held responsible for the December 1976 killing of some 100 senior party officials from Bata who had called for political and economic changes [see p. 28329].

Breach in relations with Spain

Equatorial Guinea's already poor relations with Spain [see p. 39673] deteriorated further on Dec. 11 when the Spanish consul-general in Bata was declared persona non grata and given 24 hours to leave the country.

Diego Sánchez Bustamante, the only diplomat resident in the second largest city, was accused of interfering in the country's internal affairs and of contravening international statutes; on Dec. 10 Sanchez Bustamante had met with leaders of parties which had boycotted the November election [see p. 39719]. The Spanish government rejected the accusations and recalled its ambassador in Malabo for consultations. On Dec. 16 the Spanish Foreign Ministry, expressing its "vigorous protest" at the expulsion, expelled a secretary at the Equatorial Guinea embassy in Madrid. It also announced that as of Jan. 1, 1994, Spanish aid to its former colony would be cut by at least half, although humanitarian aid would not be affected.

■ Last article p. 39719; reference article pp. R9-10.

MALI

Coup plot

Following press reports of a coup plot, Culture and Communications Minister Cheikna Kamissoko on Dec. 9 confirmed the arrest of five officers loyal to former military dictator Moussa Traore, overthrown in March 1991 [see pp. 38083-84]. He said that all had been in contact with a detained former aide to Traore, Lt.-Col. Oumar Diallo, who, according to the Malian weekly newspaper *L'Observateur*, had financed the plot.

A government communiqué on Dec. 10 claimed that the plotters had been inspired by Diallo, who

had since been transferred to a jail in Tombuctou. The plotters intended, according to this communiqué, to assassinate President Alpha Oumar Konaré, Prime Minister Abdoulaye Sekou Sow, President of the National Assembly Ali Diallo and other leading members of the government, with the objective of "toppling democratic institutions" and eliminating "the majority of members of the Co-ordinating Committee, as well as those junior officers and private soldiers who were opposed to the release of Oumar Diallo and a certain number of other officers".

■ Last article p. 39720; reference article p. R15.

ETHIOPIA

Famine warnings

On Dec. 3 Voice of Ethiopia radio quoted Prime Minister Tamirat Layne as saying that the country was still vulnerable to famine despite a "huge" relief effort.

A representative of the Relief and Rehabilitation Commission for Wollo zone, in the north, was cited as saying on Dec. 1 that an acute shortage of rainfall during the last season had left more than 730,000 people exposed to famine in eight districts. The Ethiopian News Agency (ENA) was quoted as saying that more than 400,000 people in northern Shoa (central Ethiopia) faced imminent famine after four successive years of failed rains. In a subsequent report, the radio said that more than 200,000 people in western Hararghe (eastern Ethiopia) also faced famine.

Opposition arrests

Seven officials of opposition parties were reported to have been arrested in Addis Ababa in the days before a conference on peace and reconciliation organized there by some 50 opposition groups on Dec. 18-22.

Those arrested included Ibssa Gutema, a former Education Minister and member of the exiled leadership of the Oromo Liberation Front (OLF), who had just arrived from Europe. Lencho Leta, deputy OLF secretary-general, was later reported to have been arrested when he arrived from Canada to replace Ibssa. [For OLF's withdrawal from the transitional government of President Meles Zenawi on June 23, 1992, see p. 38952.] A government statement on Dec. 22 said that those arrested would be tried, and that they were either "officials of the former regime" or belonged to organizations currently carrying on "terrorist operations".

■ Last article pp. 39545-46; 39629; 39676; reference article p. R10.

SOMALIA

Further peace process difficulties

The leader of the Somali National Alliance (SNA), Gen. Mohammed Farah Ayidid, in hiding following the issuing of a UN-sanctioned warrant for his arrest in June [see pp. 39499; 39721], arrived from Mogadishu on Dec. 2 aboard a US aircraft, to attend a UN-sponsored peace conference in Addis Ababa, Ethiopia [see p. 39721]. He had agreed to attend at the last minute under persuasion from Ethiopian President Meles Zenawi. His main rival, interim President Ali Mahdi Mohammed, had arrived on Dec. 1 (at which

stage Ayidid was reportedly still rejecting appeals to attend, apparently fearing arrest).

Over the following 10 days contacts were reported between their two delegations, with Ethiopian mediation, but on Dec. 12 it was reported that the talks had broken down. No US aircraft was made available to fly Ayidid back to Mogadishu. On Dec. 17, SNA officials stated that the Addis Ababa talks were continuing, and accused "some Somali individuals" and officials of the UN Operation in Somalia (UNOSOM II—not UNISOM as given on pp. 39499; 39721) of abandoning them.

UN troop withdrawals

More troops in the 29-country UNOSOM military alliance pulled out during December. Nearly 1,000 French soldiers left on Dec. 9; 2,500 US troops were due to leave in December (the first 450 flying out on Dec. 17), all 8,100 US troops having been ordered out of Somalia by the end of March 1994 under altered UN and US policy [see pp. 39675; 39721].

On Dec. 20, German Defence Minister Volker Rühe announced that all 1,700 German troops would be withdrawn by March 31, 1994, and Fabio Fabbri, his Italian counterpart, announced the same day that Italy's 2,500 soldiers would also be ordered home by then. Belgian and Swedish contingents were also reportedly expected to leave. No new troop commitments to UNOSOM were reported, despite requests by Boutros Boutros-Ghali, the UN Secretary-General.

■ Last article p. 39721; reference article pp. R20-21.

BURUNDI

Funeral of Ndadaye - Continuing crisis

The funerals of the late President Melchior Ndadaye and seven other prominent people killed during the abortive coup d'état on Oct. 21 [see pp. 39672; 39721-22] took place in Bujumbura, the capital, on Dec. 6. Tens of thousands of people filed past the bodies at a lying-in-state ceremony in a football stadium the previous day. The appointment of a national commission to investigate the assassinations and associated violence had been reported on Dec. 2.

The Burundian ambassador to Brussels, Jean Ngendanganya, told the press on Dec. 21 that at least 1,500,000 people, of a total population of some 5,600,000, had left their homes to escape intercommunal conflict since the attempted coup.

Confirming figures given by the humanitarian organizations Médecins sans frontières and Oxfam, he said that 750,000 people had taken refuge in Tanzania, Rwanda and Zaire and that an average of 180 refugees were dying each day. According to the ambassador, between 100,000 and 200,000 people were killed in fighting associated with the coup attempt, led by soldiers of the formerly dominant minority Tutsi community against their rivals, the Hutu people.

On Dec. 22, it was reported that the UN High Commissioner for Refugees, Sadako Ogata, had appointed Michel Moussali, a Swiss na-

tional, as her special envoy for the Burundian emergency.

Instability and continuing violence were reported in several areas. Radio Burundi reported on Dec. 9 that killings were taking place in Kirundo in the north-east, where the local governor, Deogratias Bizimana had been assassinated during the October incidents. On Dec. 21 Radio Burundi announced that the governor of Bubanza, in the north-west, had been assassinated while on a "pacification mission".

The Agence France-Presse news agency said that at least 30 people had been killed in a Tutsi-Hutu clash at Kirundo on Dec. 8. Reuter reported that at least 100 people had died.

On Dec. 2 the Rwandan government issued a warning to Burundian refugees after 40 arrests were made following incidents in which, it was alleged, Burundian soldiers massacred a number of Rwandan civilians, setting off fighting on Rwandan territory. Burundian officials dismissed the allegations as groundless.

On Dec. 8 Tanzanian Prime Minister John Malecela called on the government and army in Burundi to end the inter-ethnic conflict, saying that there were 500,000 Burundian refugees in Tanzania.

Protest against African peacekeepers

Several thousand people demonstrated in Bujumbura on Dec. 26 against plans for a 200-member Organization of African Unity (OAU) peacekeeping force.

The Burkinafabe legislature was reported on Dec. 28 to have approved the dispatch of 43 soldiers to take part in the OAU force, for a period of six months [see p. 39722].

Election of president of National Assembly

Having resigned as Foreign Affairs Minister on Dec. 22, Sylvestre Ntibantunganya was on Dec. 23 elected president of the National Assembly. The outgoing Minister of National Documentation and Immigration, Christian Sendegeya, was elected the Assembly's deputy president.

Contradicting initial reports that he would automatically become head of state under the Constitution, Ntibantunganya said that the functions of President would be assumed collectively by the government.

■ Last article pp. 39721-22; reference article p. R6.

RWANDA

Delay in transition

The long-awaited establishment of a broad-based transitional government and National Assembly [see pp. 39586] failed to take place on Dec. 31.

On Dec. 20, Jacques-Roger Booh-Booh, a former Foreign Minister of Cameroon and now the UN Secretary-General's Special Envoy in Rwanda, had expressed confidence that the transitional institutions could assume their responsibilities on Dec. 31. Local reports suggested, however, that the inauguration of multiparty executive and legislative bodies might now be postponed "indefinitely". Their establishment had been provided for under the peace accord signed in August between the government and the rebel Rwandan Patriotic Front (FPR). At that stage, the transitional period had

been scheduled to begin on Sept. 10 [see p. 39586]. However, the inauguration date had been put back to late December following delays in the deployment of the UN Assistance Mission to Rwanda (UNAMIR) [see p. 39672] and divisions within various political parties which had delayed the nomination of their representatives to the National Assembly and the Cabinet.

According to first reports the inauguration ceremonies on Dec. 31 were cancelled after President Juvénal Habyarimana refused to be sworn in. FPR officials accused Habyarimana of bad faith and urged UNAMIR to put pressure on him to fulfil his commitments under the August peace accord.

■ Last article p. 39672; reference article pp. R18-19.

MALAWI

Recovery of Banda

On Dec. 7, two months after undergoing brain surgery, President Hastings Kamuzu Banda resumed full presidential powers, and the three-person Presidential Council installed as a result of his incapacity [see pp. 39671-72] was dissolved.

Attack on MYP

The unexpected return of the President was interpreted by analysts as a move to restore order. Four days earlier, the army, traditionally seen as non-politicized, had carried out a crackdown on the activities of the Malawi Young Pioneers (MYP), a widely feared militarized section of the ruling Malawi Congress Party (MCP).

The Dec. 3 crackdown on MYP offices and camps followed the killing of two soldiers by MYP members, and brought to a head years of tension between the army and the MYP. The army operation won considerable popular support, although army commander Gen. Isaac Yohane distanced himself from it. In the ensuing violence the MCP national offices were attacked, 30 people were reported killed, and several thousand Pioneers went into hiding or fled across the border into Mozambique, where they reportedly received shelter from the rebel Mozambique National Resistance.

Immediately following the crackdown, a meeting of the National Consultative Council (NCC—the multiparty transitional body—see p. 39724), which was informally briefed by high-ranking army officers, called (i) for the government to acknowledge that it had lost control; (ii) for the immediate dissolution of the Presidential Council and its replacement by either a non-political caretaker president or by Banda himself; (iii) for the dismissal of Yohane; and (iv) for the completion of the disarming of the MYP.

Later on Dec. 3 the Presidential Council claimed that it had ordered the operation to "disarm" the MYP, and urged MYP members to co-operate with the army.

Military appointments

Announcing his recovery on Dec. 7, Banda said that he would appoint a Minister of Defence (this portfolio having hitherto been held by the President himself) who would oversee the MYP disarmament operation and investigate army grievances.

Maj.-Gen. Wilfred John Mponera was named as Minister of Defence on Dec. 10, with Gen. Dismus

Anibo Nsanje Maulana becoming army commander in place of the "retiring" Yohane.

Constitutional changes

On Dec. 9 the government, responding to intensifying opposition pressure, amended the Constitution to provide for the appointment of an acting president should the incumbent be incapacitated. However, it refused to accept the restrictions which the opposition had sought to apply to the powers of an acting president.

■ Last article pp. 39723-24; reference article pp. R14-15.

COMOROS

Legislative elections

A general election was finally held over two rounds on Dec. 12 and Dec. 20, and resulted in victory for President Said Mohammed Djohar, giving the government an absolute parliamentary majority and thus a measure of stability absent since elections in November 1992 [see p. 39260].

Results released on Dec. 30 gave the supporters of the President grouped round the newly formed RDR 24 of the 42 Federal Assembly seats, with the opposition *Union nationale pour la démocratie aux Comores* (UNDC) and its allies taking the remaining 18.

The elections had been made necessary following the dissolution of the Federal Assembly by Djohar on June 18 [see pp. 39499-500]. According to the Constitution elections should have been held within 40 days of the dissolution of parliament, but they were repeatedly postponed for "technical reasons" [see p. 39628], most recently in November.

Although the first round of voting took place without incident, the second round, delayed by presidential decree for 24 hours, was marred by violence and irregularities. The most serious incidents occurred on Anjouan island where at least three people were killed. As a result the ballot was invalidated in eight constituencies (seven on Anjouan and one on Grande Comore) where voting was repeated on Dec. 26, when delayed second round voting in Moroni also took place.

The repeated elections proved controversial and were described by the opposition as a "masquerade". Several opposition candidates, contesting the other second-round results, withdrew from the repeated elections before voting began, and in three cases government candidates were thus elected unopposed, including Mohamed Said Abdallah Mchangama, the President's son-in-law and a former minister, who had been implicated in a financial scandal [see p. 38902].

■ Last article p. 39628; reference article p. R8.

IN BRIEF

KENYA: The IMF on Dec. 23 approved a loan equivalent to SDR 45,230,000 (about US\$63,000,000) under the enhanced structural adjustment facility, in support of the government's economic and financial programme covering October 1993-September 1994. The loan was in two equal instalments, the first of which could be disbursed immediately.

AMERICAS

UNITED STATES

Departure of Aspin

Defence Secretary Les Aspin submitted his resignation on Dec. 15, with effect from Jan. 20, 1994.

Aspin, who had recently undergone heart bypass surgery and who cited personal reasons for his decision, was the first member of the President Bill Clinton's Cabinet to leave office. Criticized heavily for his part in what were seen as policy failures regarding Somalia, Haiti and Bosnia, and for a style of management which was regarded by many as too academic, he had also had the difficult task of mediating between the administration and the military concerning the contentious issues of spending cuts and the place of homosexuals in US forces [see pp. 39676; 39677].

Clinton on Dec. 16 named Adm. (retd) Bobby Ray Inman, 62, a former deputy director of the Central Intelligence Agency (CIA) who had served under both Republican and Democrat administrations, as Aspin's successor, subject to confirmation by the Senate.

Inman, who had supported the defeated Republican incumbent George Bush rather than for Clinton in the 1992 presidential elections, made known his commitment to building a bipartisan consensus concerning defence issues. If confirmed, he would be the first former career officer to serve as Defence Secretary since Gen. George Marshall, President Harry Truman's Defence Secretary in 1950-51.

The speed of Inman's nomination reinforced the belief that Aspin had been edged out of government by Clinton and Secretary of State Warren Christopher as part of an attempt to clarify the administration's foreign and defence policies.

New Deputy Secretary of State

Strobe Talbott, 47, was named on Dec. 28 as successor to Clifton Wharton who resigned as a Deputy Secretary of State in November [see p. 39726].

Talbott, hitherto ambassador at large and co-ordinator of overall policy towards the former Soviet Union, was a close friend of Clinton and had been a fellow Rhodes scholar. His appointment was seen as indicating a more sympathetic US attitude to the problems caused by the pace of social and economic reform in Russia.

Allegations against Clinton

On Dec. 23 Clinton acted to try to dispel the controversy surrounding his dealings with a bankrupt Arkansas businessman by instructing his lawyers to hand over "all relevant documents" to federal investigators.

Suspicions had been aroused by the removal of relevant files from the office of White House deputy counsel Vincent Foster Jr shortly after he committed suicide on July 20 [see p. 39549]. A close friend of the President and of his wife Hillary, Foster had been head of the failed Madison Guaranty bank, and it had been alleged that Madison

funds were used to pay off Clinton's campaign debts in return for political protection.

Federal authorities were also currently investigating a property venture linked to the Whitewater Development Corp., in which the Clintons had a substantial interest. In relation to what was becoming known as the Whitewater affair, there were some calls for a special prosecutor to be appointed by the Attorney General—as over the 1972 Watergate scandal involving the then President Richard Nixon—or for the appointment of an independent counsel.

Clinton's difficulties were compounded by renewed allegations concerning extramarital affairs [see also p. 38714], with two Arkansas state troopers from his former security detail coming forward to allege that he had requested staff to assist his womanising while Governor of Arkansas. In a 45-minute interview with Associated Press held on Dec. 22 in his White House Oval Office, Clinton denied the troopers' allegations, refusing to comment in detail but asserting that "we did not do anything wrong". Other allegations concerned Clinton having made nearly 60 calls during 1989-91 to a woman in Arkansas, who denied that they had been having an affair and said that he had been helping her through a personal crisis.

Corruption cases

House banking scandal

On December 17, Jack Russ, a former Serjeant-at-Arms of the House of Representatives, was sentenced to two years in prison for fraud and embezzlement. The conviction was the first to result from the 1992 House banking scandal, known as "Rubbergate" [see pp. 38807; 38857; 38904]. Russ, who controlled the bank, pleaded guilty to charges of embezzling \$75,000 and defrauding investors of \$445,000.

Durenberger corruption case

On Dec. 6 a federal judge in Minneapolis dismissed a felony indictment brought by the Justice Department against a senator, David Durenberger (Republican) of Minnesota [see pp. 39406; 39676].

US District Judge Warren Urbom found that the Justice Department had improperly relied on congressional findings (the findings of the Senate ethics committee and its special counsel) in presenting its case; in so doing, it had deprived the Senator of his constitutional protection against investigation by other branches of government—a clause known as the "speech and debate clause".

Durenberger had stated that he would not seek re-election.

In brief

The maximum possible sentence of 10 years' imprisonment was imposed on Dec. 7 on Damian Williams, following his Oct. 18 conviction on only the lesser charges which he had faced in relation to the severe beating of truck driver Reginald Denny

during the Los Angeles riots of 1992 [see pp. 39590; 39677].

Several random shootings during December ensured continued prominence for the issue of gun control [see pp. 39726-27]. The most serious incident was an apparently racially motivated attack by a black gunman who shot dead six passengers and wounded 17, most of them white, on a Long Island commuter train on Dec. 7.

■ Last article pp. 39726-27; reference article pp. R54-56.

CANADA

Resignation of PCP leader

On Dec. 13 Kim Campbell resigned as leader of the Progressive Conservative Party.

Campbell had assumed the position of Prime Minister and the leadership of the party only in June 1993, following the resignation of Brian Mulroney [see pp. 39311; 39502]. Her own resignation followed the worst defeat ever suffered by the Conservatives, in the general election of October 1993 [see pp. 39678-79].

New Quebec Premier

Daniel Johnson, 44, was officially named on Dec. 15 as the new leader of the federalist Quebec Liberal Party. He succeeded Robert Bourassa as party leader and, automatically, as provincial Premier. Bourassa had announced his retirement, due to ill health, in September [see p. 39631].

Johnson, a lawyer and business executive, was the only candidate. His father, also Daniel, was Premier of Quebec in the 1960s, as was his brother Pierre-Marc, briefly, in 1985, at the head of a *Parti Québécois* government [see pp. 33984; 34096].

■ Last article pp. 39727-28; reference article pp. R33-34.

MEXICO

Ministerial appointment

Jesús Silva Herzog, 58, was nominated on Dec. 14 to the post of Tourism Minister to replace Pedro Joaquín Coldwell, who resigned to join the ruling Institutional Revolutionary Party (PRI)'s executive committee.

Silva Herzog had served as Finance Minister in 1982-86 [see p. 34731], and had subsequently been director of the Latin American Monetary Studies Centre and ambassador to Spain. His appointment put an end to speculation that he might leave the PRI after centre-left deputies had asked him to run as an opposition presidential candidate in August 1994.

■ Last article p. 39729; reference article pp. R45-46.

HAITI

Malval resignation

Despite US government efforts to dissuade him, Prime Minister Robert Malval tendered his resignation on Dec. 17. He stated that he would continue to carry out his duties pending the nomination of a successor.

Malval said that he had resigned to avoid a vote of no confidence when the Congress reassembled on Jan. 15, and also because he believed that exiled President Jean-Bertrand Aristide could be returned to power only on the basis of a "large historical

compromise". (Malval was later reported to have told the *New York Times* that Aristide had "a serious ego problem".)

Malval, who described himself as having reached "the end of what I can do", had announced his intention to resign in November [see pp. 39730-31], ostensibly in the hope that his departure might "create an atmosphere of debate". On Dec. 1 he travelled to Washington for a series of meetings with Aristide. He returned to Haiti on Dec. 15 with a letter from Aristide informing Army C.-in-C. Gen. Raoul Cédras that he was to be replaced on an interim basis by Gen. Jean-Claude Duperval. On Dec. 16, however, Malval announced that he had not delivered the letter, after consultations with his ministers, who had argued that Cédras's departure should await the full implementation of the Governor's Island agreement (reached in July, but which the military in Haiti had not respected—see pp. 39551-52) and that Malval's personal safety was at risk.

National Salvation Conference proposal

In an address to the UN in New York on Dec. 7 Malval (who had described as a "stab in the back" the withdrawal of the UN mission in Haiti in October—see pp. 39632; 39680) announced a new initiative within the framework of the Governor's Island agreement. This initiative envisaged a National Salvation Conference, a proposal which gained support from the UN Secretary-General, the USA, Venezuela and the Vatican, and which envisaged fresh multi-sector negotiations on the return to democratic rule.

US President Bill Clinton met Malval and Aristide later on Dec. 7 to discuss this proposal. It was reported on Dec. 13, however, that Aristide had considerable reservations about the National Salvation Conference; before agreeing to join he would insist on the drafting of an agenda in advance, which stipulated his return, and also on guarantees of safety for any possible participants. A number of press reports in December suggested that the US administration was becoming increasingly impatient with Aristide and that its support for him was waning. Clinton asserted on Dec. 23 that he had "not given up" on a return to democracy and the restoration of Aristide, and that other options were being considered.

UN resolution

The UN General Assembly adopted a resolution on Dec. 6 affirming its support for Aristide as constitutional President and calling for his return, condemning any attempt to replace him unlawfully and condemning the violation of human rights in the country.

Formation of Four Friends group

A new international group backing the return of constitutional rule in Haiti was formed during a meeting in Paris on Dec. 13-14 by officials from the USA, France, Canada and Venezuela, to be known as the "Four Friends group".

The French and Venezuelan delegations in particular urged that sanctions already applicable against Haiti [see p. 39730] should be tightened, making the embargo universal and mandatory and including a ban on non-commercial flights in and out of the country.

Representatives of the group, along with Dante Caputo, the special envoy of the UN and the Organization of American States (OAS), met Aristide on Dec. 20-21, but failed in their attempt to per-

suade him to reconsider his refusal to countenance talks without his guaranteed return.

A mission including military officers from member countries of the Four Friends group arrived in Port-au-Prince on Dec. 22 with a memorandum threatening a tighter embargo with effect from Jan. 15 unless the Governor's Island agreement were implemented, but Cédras refused to meet them.

In line with the Clinton administration's controversial policy of forcible repatriation, the US Coastguard on Dec. 12 intercepted a boatload of 111 Haitians 50 km off the north coast of Haiti, the third such interception in a week. On Dec. 14 John Shattuck, the US State Department Assistant Secretary for Human Rights and Humanitarian Affairs, stated that the repatriation policy need review, calling it "completely wrong and outrageous".

Political violence

Members of terror gangs of the Front for the Advancement and Progress of Haiti (FRAPH or *le Frap*) set fire to more than 200 houses in the Soleil district of the capital on Dec. 27 to "avenge" the murder of the local FRAPH treasurer.

The Soleil district was largely pro-Aristide, and the FRAPH were accompanied by regular troops. The attack left at least three people dead and several citizens were taken away by the FRAPH.

■ Last article p. 39730-31; reference article pp. R43-44.

CUBA

Debate on economic crisis

The National Assembly of People's Power (ANPP) held a special session on Dec. 28-29 to debate the country's economic difficulties. Members of the government addressing the ANPP stressed their commitment to socialist economic principles, and their rejection of any kind of adjustment programme involving job cuts, wage freezes and a rise in the price of basic goods, while recognizing the need for concessions and some "sacrifices".

In his speech to the ANPP President Fidel Castro Ruiz gave assurances that Cuba would keep all its commitments to foreign investors, and that the government had no intention of nationalizing companies formed in partnership with foreign investors, but would resist what he termed external pressure on Cuba to move towards capitalism.

A new bill was approved on Dec. 28 extending State Decree Law 141 on self-employment (introduced in September—see p. 39631). While the law was seen to be working satisfactorily, Francisco Linares Calvo, President of the State Committee for Labour and Social Security, announced that legislation was being drafted to fine those who broke it.

José Luis Rodríguez García, President of the State Committee for Finance, announced plans for new taxes, and suggested that fees might be introduced in the areas of education and culture, such as for non-essential school subjects and access to museums and exhibitions. He also stated that the government would be forced to reduce its subsidies to farming and to the sugar industry, which over

the past three years had cost 7,231 million pesos, equivalent to 54 per cent of the fiscal deficit over the same period (1 peso=US\$0.7602 as at Dec. 10, 1993). He pointed out that the surplus of money in circulation—about 10,000 million pesos—was reaching harmful levels, as the sales of goods and services had fallen by 35 per cent compared with 1989.

Joint commission with CARICOM

At a meeting held in Georgetown, the capital of Guyana, on Dec. 14, a new Cuba-CARICOM (Caribbean Community and Common Market) Joint Commission was created to increase mutual trade and co-operation, with Cuba looking forward in particular to the development of a regional sugar cane industry, as well as the promotion of livestock and fishery interests.

Economic talks with Russia

In the course of intergovernmental talks held in Moscow on Dec. 23-24, both sides called for the development of traditional economic ties. Lionel Soto Prieto, a Vice-President of the Council of Ministers, raised the question of the reconstruction of Russian sugar plants. He also referred to joint ventures to develop oil deposits in both countries, and requested Russian assistance to Cuban thermal power stations equipped with Russian technology.

Jesse Jackson's visit to Cuba

The Rev. Jesse Jackson, the US leading black Democratic politician, invited to Cuba by the country's Ecumenical Council, met representatives of the ANPP, the foreign ministry and the economic sector, and gave a press conference on Dec. 27 in Havana at which he called for an end to the US trade embargo of Cuba. Jackson urged new US-Cuban economic links particularly in tourism, investment, communications and biomedicine.

Departure of Castro's daughter

President Castro's daughter Alina Fernández Revuelta, who had been estranged from him for several years, left Cuba in disguise and with a false passport on Dec. 21, bound for Spain, where she requested asylum at the US embassy. Her daughter Alina María Salgado Fernández, 16, was subsequently given permission to leave Cuba (as announced during the visit by Jesse Jackson) and flew to the USA on Dec. 31.

■ Last article pp. 39729-30; reference article p. R37.

NETHERLANDS ANTILLES

New interim government

Alejandro Felipe "Jandi" Paula was on Dec. 28 sworn in as Prime Minister in an interim government following the resignation of Maria Liberia-Peters in November [see p. 39731].

Suzanne Romer (34), who had been acting Prime Minister since the resignation of Liberia-Peters, was retained as Justice Minister; also named to the Cabinet were Faroe Metry (Finance), George

Hueck (Public Health, Environment and Social Affairs) and Leo Chance (Traffic and Communication, and also Deputy Prime Minister).

Paula, 56, was not a professional politician and had for the past 20 years been in charge of the central government's historical archives. He had accepted the post at the request of Liberia-Peters with the support of the other coalition parties.

The *Staten* (legislature) was to be dissolved on Jan. 1, 1994, and elections were scheduled for Feb. 25.

■ Last article p. 39731; reference article pp. R46-47.

ST KITTS NEVIS

New government - Disturbances

Following the inconclusive elections on Nov. 29 [see p. 39734], Governor-General Sir Clement Arrindell on Dec. 1 asked outgoing Prime Minister Kennedy Simmonds of the People's Action Movement (PAM) to form a new government.

The PAM, which had held six of the 11 seats in the previous National Assembly, had lost ground at the November elections, retaining only four seats, while the St Kitts-Nevis Labour Party (SKLP) also won four seats, although with a larger share of the vote. The Concerned Citizens' Movement (CCM) won two seats and the Nevis Reformation Party (NRP) one. The SKLP had proposed the formation of a six-month caretaker government with three posts each for the SKLP and the PAM, and with CCM leader Vance Amory as Prime Minister. Amory, however, declared that he had no interest in a coalition, and NRP leader Joseph Parry then announced that his party would maintain its co-operation with the PAM.

SKLP leader Denzil Douglas refused to accept Simmonds as Prime Minister, maintaining that the electorate had voted for change, and hundreds of SKLP supporters staged demonstrations outside government offices in Basseterre, the capital, on Dec. 1 and Dec. 2, during which bottles and stones were thrown, at least 18 people (including three policemen) were injured and some shops were looted.

On Dec. 2 Arrindell declared a 21-day state of emergency (lifted on Dec. 14), incorporating a night-time curfew (lifted on Dec. 7). In further disturbances on Dec. 10 at least seven people were arrested.

Following a meeting on Dec. 3 between Simmonds and Douglas under the auspices of the St Kitts-Nevis Christian Council and Evangelical Association, Douglas claimed that the PAM had agreed to fresh elections. His claim was backed by the Council's chairman. It was denied on Dec. 4, however, by Simmonds, who on Dec. 7 announced that the new National Assembly would hold its first session in January when "persons will be sworn in for the House to be able to function formally".

■ Last article p. 39734; reference article p. R50.

GUATEMALA

Presidential veto of 1994 budget

In his continuing struggle with the National Congress, President Ramiro de León Carpio on Dec. 8 vetoed a series of congressionally approved modifications to the 1994 budget.

Justifying his veto on economic and political grounds, de Leon said that he intended to "prevent a group of deputies from using and manipulating the nation's budget in favour of their interests", and claimed that the budget as proposed by the Congress would be "so inflated it will be impossible to implement". It would mean an increase in public-sector borrowing (which, in the current constitutional reforms, the government had promised to avoid) and, de Leon said, would violate the Constitution, which stipulated a balanced budget. He also rejected the congressional allocation of increased funding to the Supreme Court as inappropriate prior to his planned purge of the judiciary [see pp. 39633; 39731].

■ Last article p. 39731; reference article p. R42.

EL SALVADOR

Investigation of political violence

In response to the rising tide of violence in the latter part of the year [see p. 39732], UN Secretary-General Boutros Boutros-Ghali announced on Dec. 7 the establishment in El Salvador of a joint group to investigate what were officially termed "illegal armed groups with political motivations".

The following day President Alfredo Cristiani Burkard swore in the four members of this commission: Carlos Molina Fonseca from the Human Rights Ombudsman's Office, Diego García Sayán from the UN Observer Mission in El Salvador (ONUSAL), José Leandro Echeverría, and Juan Jerónimo Castillo.

Violence against FMLN members

Mario López, 60, a university lecturer, member of the political committee of the Farabundo Martí Liberation Front (FMLN) and former FMLN commander, was killed in an ambush in San Salvador on Dec. 9. The government, as in other similar cases, maintained that the murder was not politically motivated, but the FMLN blamed right-wing death squads, a view endorsed by a meeting of vice-presidential candidates convened by the FMLN on Dec. 11 to debate the outbreak of political violence.

Those present included Rubén Zamora of the Democratic Convergence-FMLN coalition, Armando Calderón Sol of the ruling Nationalist Republican Alliance (ARENA), and vice-presidential candidate Atilio Vieytes of the Christian Democratic Party (PDC); there were no representatives of the Authentic Christian Movement (MAC) or the National Conciliation Party (PCN).

The FMLN announced on Dec. 11 that its mayoral candidate in Guazapa, Andres Bonilla, had been attacked at his home and his brother José Guillermo Ventura had been shot dead.

US involvement in training armed groups

Research into US State Department and Defense Department documents declassified on Nov. 5 [see p. 39732] uncovered a telegram dated October 1990 in which William G. Walker, as US ambassador to El Salvador, declared that US officers had agreed to give training to a group of some 50-60 wealthy young civilians known as *Los Patrióticos* (the patriots).

Walker also admitted that "my worst fears are realized" and that the unit "was being used as a cover for death-squad activities". Interviewed on television on Dec. 14, Walker said that providing military training to non-military groups "was an isolated incident and not part of our policy".

Cholera outbreak

Health Minister Lisandro Vásquez Sosa declared a national emergency on Dec. 30 because of an outbreak of cholera; four people had died in the previous week. [For 1991 cholera outbreak in Latin America see p. R160(1992).]

■ Last article p. 39732; reference article pp. R39-40.

HONDURAS

Report on human rights

The National Commissioner for the Protection of Human Rights, Leo Valladares Lanza, released a report on Dec. 28 detailing involvement by the civilian and military authorities in human rights abuses between 1979 and 1990. The report referred to more than 300 political killings and 184 disappearances, all of left-wing activists, and also to the torture of detainees.

Those held responsible for the abuses were chiefly army counter intelligence units trained by US, Argentine and Nicaraguan "contra" military advisers. The particular unit singled out was Intelligence Battalion 3-16, formed in 1984 by the then army commander, Gen. Gustavo Alvarez Martinez, and whose first leader was the current C.-in-C. of the armed forces, Gen. Luis Alonso Discua Elvir. The Committee of Relatives of the Disappeared called for Discua's suspension pending investigations into the report's contents.

The acting Supreme Court President Rigoberto Espinal Irias on Dec. 29 urged judges to examine all pending cases against civilians and soldiers involved in "disappearances". Army spokesman Col. Napoleon Santos Aguilar declared in an interview on Dec. 30 that the military was willing to open its files to civilian authorities and to put at the disposal of the courts "all officers who presumably were involved in these questions".

■ Last article p. 39731; reference article p. R44.

NICARAGUA

UNO withdrawal from legislative process

The right-wing faction within the nominally ruling National Opposition Union (UNO) coalition declared to the National Assembly on Dec. 13 that it would "not participate in the presentation, debate or approval of laws, given that the current leadership is illegal and illegitimate".

The statement also criticized the 1994 draft budget as not only unconstitutional but also containing "serious flaws".

The UNO had been in conflict with President Violeta Barrios de Chamorro since December 1992 [see pp. 39231-32; 39265], and had lost its majority in the National Assembly in September 1993 [see p. 39732]. A compromise agreement had been reached in October [ibid.], but on Dec. 1 the UNO leadership declared that objectives set for Nov. 30

had not been met, and that consequently it was renewing its demand for constituent elections.

The Dec. 1 statement did, however, state that the Nov. 30 deadline could be extended, with the hope that the UNO could regain its parliamentary majority and then participate in the debate and approval of constitutional reforms by Feb. 15, 1994.

US release of fiscal 1993 aid

During an interview on Nov. 30 between Chamorro, who was in Washington for a Central American presidents' meeting with US President Bill Clinton [see this page], and Clinton, the latter announced that his administration had "recently approved the release of aid for fiscal year 1993 in response to the significant progress made by Nicaragua" in asserting civilian power over the army, in trying to solve certain US citizens' property ownership claims, as well as in other areas". On her return to Nicaragua Chamorro stated that she had been assured that US\$40,000,000 would be received by January 1994 at the latest, and she stressed that her government would not tolerate any foreign interference in the country. [For US pressure to remove army commander see p. 39633; for April 1993 release of remainder of fiscal 1992 aid see p. 39409.]

■ Last article p. 39732; reference article p. R47.

CENTRAL AMERICA

Presidents' meeting with Clinton

At the end of November the Central American presidents and Prime Minister Manuel Esquivel of Belize travelled to Washington for talks with US President Bill Clinton, principally regarding the Central American request to be incorporated into the North American Free Trade Agreement (NAFTA). [For US ratification and Mexican Senate approval of NAFTA in November see pp. 39728-29.]

Other topics covered included ecological protection, specifically the establishment of a pilot programme in the region, with substantial US funding.

Guatemalan President Ramiro de León Carpio stated on his return to Guatemala on Dec. 1 that the visit had been "successful".

■ Last article p. 39507; reference article p. R58-59.

CHILE

Presidential elections

Eduardo Frei Ruiz-Tagle, the candidate of the ruling Coalition for Democracy (CPD), won a landslide victory in presidential elections held on Dec. 11, receiving the largest popular backing of any Chilean leader since 1931.

Campaigning under the banner of "New Times", Frei had called for increased health and education spending, and for the President to recover the power to appoint and remove senior military officers, an issue made important by the continued presence of the former military ruler, Gen. Augusto Pinochet Ugarte, as Army C.-in-C. Frei hinted at the possibility of a national referendum on this subject if, like President Patricio Aylwin Azócar,

he was unable to gain congressional approval for restoration of this power.

According to preliminary official results, Frei, a senator of the Christian Democratic Party (PDC) and son of former President Eduardo Frei Montalva (1964-70), took 58 per cent of the 6,468,406 votes counted. His main rival Arturo Alessandri Besa won 24.4 per cent as the candidate of the right-wing Union for the Progress of Chile, representing the mainstream National Renewal party (RN), the more pro-Pinochet Independent Democratic Union (UDI), the Centrist Union (UCC) and other right-wing parties. Alessandri failed to dent the centrist constituency of the PDC and also lost votes to a right-wing independent candidate, José Piñera Echenique, a former Cabinet minister under the 1973-90 Pinochet regime, who took 6.3 per cent. In fourth place came the alternative "eco-anarchist" candidate, Manfredo Max-Neef, who performed unexpectedly well by winning 5.6 per cent, followed by Eugenio Pizarro Poblete of the Communist-backed Democratic Alternative of the Left with 4.7 per cent, and Cristián Reitze of the Humanist-Green Alliance, with just under 1.2 per cent.

Legislative elections

In elections for Congress held at the same time, the CPD again failed to win enough seats to secure the two-thirds majority required in both houses to reform the military-promulgated 1981 Constitution. Its efforts were hampered by the continued use of the binomial majority system—introduced by the military for the 1989 elections in an effort to favour the right—and by the presence in the upper house of nine non-elected senators appointed by the outgoing government immediately before the 1989 general election, due to remain in office until 1997. In the Chamber of Deputies the parties of the governing CPD won 70 of the 120 seats, while the opposition right-wing parties took 50.

In elections for 18 of the 38 elective seats in the 47-seat Senate, the CPD lost one of its current total of 22 seats to the right wing, which was left with a total of 16 elective seats; one vacancy remained unfilled.

While the elections left the balance between the government and opposition parties in Congress practically unaltered, significant shifts took place within each camp.

On the government side, there was a shift to the left, with the Socialist Party (PS) and the Party for Democracy (PPD) increasing their joint share of the vote to around 24 per cent (compared with 18 per cent in the 1992 municipal elections—for which see p. 38959), whereas the PDC vote fell from 28.9 per cent to 27 per cent. In the Chamber of Deputies the PDC now held 37 seats (39 previously), whereas the PPD increased its share from seven to 15, partly at the expense of the Radical Party (PR), whose seats were reduced from six to two. The Democratic Left Party (PDI), formed by members of the Communist Party (PC) which again failed to win a single seat, won representation for the first time with one seat. The Allende Movement of the Democratic Left (MIDA) lost its two deputies.

On the opposition side, the elections saw a small improvement in the standing of the UDI, the UCC and independent rightwingers at the expense of the RN, the number of whose deputies fell from 32 to 29. The RN, however, made up for this loss in the

Chamber of Deputies by increasing its representation in the Senate from 11 to 13.

On Dec. 14-15, in accordance with the wishes of the President-elect, government and opposition members of Congress joined forces to approve a constitutional reform which shortened the presidential term from eight to six years, but excluded the possibility of re-election hitherto enshrined in the Constitution and supported by the right-wing opposition [see p. 39683].

A plenary session of Congress would have to ratify the reform before March 11, 1994, the inauguration date of President-elect Frei's term in office.

On Dec. 16 Aylwin appointed Energy Minister Jaime Tohá González to the Economy portfolio, following the departure of Jorge Marshall to the central bank.

In late December Frei announced his Cabinet.

■ Last article p. 39733; reference article pp. R34-35.

PERU

New Constitution

On Dec. 29 President Alberto Keinaya Fujimori formally promulgated the new Constitution approved in October's referendum [see pp. 39683; 39733], describing the text as a "new dawn" for Peru. Opposition members of the Democratic Constituent Congress boycotted the official ceremony, claiming that the new constitution was more a disguise for authoritarian *de facto* rule than a constitution. A member of the National Election Board (JNE), Juan Chávez Molina, stated that the government had failed to win the two-thirds majority needed to approve constitutional changes.

On Dec. 12 the JNE had announced that two sets of referendum results issued on Dec. 10 would be declared void on account of "typographical errors". Its final figures expressed the "yes" vote as 52.24 per cent (disregarding blank and void votes), the totals being 3,878,964 "yes", 3,545,699 "no", 215,613 blank and 518,274 declared void. The board dismissed charges of irregularities in results issued for Lima, Puno and Ayacucho, which the opposition claimed had swung the referendum in the government's favour.

Charges over disappearances

On Dec. 16 a special prosecutor filed charges of murder and kidnapping against 11 military personnel suspected of involvement in the disappearance in July 1992 of 10 people at the National University of Education. All but one of the accused were arrested the following day.

The move followed the refusal of the Defence Minister, Gen. Víctor Malca, to give the Congress any information on the military's own inquiry into the case [see p. 39733].

García's resignation from APRA

Former President Alan García Pérez resigned from the American Popular Revolutionary Alliance (APRA) party on Dec. 25.

■ Last article p. 39733; reference article pp. R49-50.

COLOMBIA

Developments over drug trafficking

The death in early December of the fugitive leader of the so-called Medellín drugs cartel, Pablo Escobar Gaviria [see p. 39733], led to speculation about the imminence of a negotiated settlement between the government and alleged longstanding leaders of the rival Cali cartel.

The established Cali traffickers were apparently worried by the rise of new groups violently challenging their earlier dominance of the lucrative Cali-based drugs trade, which represented the bulk of the export market since the descent of the Medellín groups into internecine warfare. They were reported to have resumed efforts on Dec. 3 to secure a rehabilitation deal with the government, whereby they would pledge to dismantle their operations and to co-operate with the state in return for short prison terms and official agreement not to challenge the source of their wealth, in effect turning them into legitimate businessmen.

On Dec. 18 Attorney General Gustavo de Greiff, seen as an advocate of the legalization of drugs in order to end drug-related violence and believed to favour a deal, announced that "surrender" talks with lawyers representing the Cali leaders would resume in January.

At the same time, however, it emerged that the government, under US pressure, had begun to step up military operations against the Cali cartel, and had accepted US aid reportedly worth US\$700 million, involving the despatch of troops to the Valle department ostensibly to build roads, schools and health clinics. The arrival of US troops at the Bahía Málaga naval base near the port of Buenaventura on Dec. 30 unleashed a political storm, with charges of US "invasion" and covert operations.

■ Last article p. 39733; reference article pp. R35-36.

BOLIVIA

Municipal elections

In municipal elections held on Dec. 5 President Gonzalo Sánchez de Lozada's ruling Nationalist Revolutionary Movement (MNR) won a comfortable victory in seven of the nine departmental capitals, including La Paz, the capital.

However, in La Paz the outgoing mayor, Julio Mantilla, who had recently defected to the MNR from the populist Conscience of the Fatherland (Condepas), was prevented from becoming mayor for the second time after his election rival, Condepas' Mónica Palenque, formed an alliance with opposition councillors.

The MNR's coalition partner, the Free Bolivia Movement (MBL), won the city of Cochabamba. The populist Civic Solidarity Union (UCS), which had complained of a reduction in its influence within the ruling coalition, saw its share of the vote drop sharply in comparison with June's general election [p. 39505]. Meanwhile, the former ruling Movement of the Revolutionary Left (MIR) and Democratic Nationalist Action (ADN) parties were decisively defeated throughout the country.

Sánchez de Lozada described the results as a vote of confidence in his administration's efforts to decentralise public services, despite the low turnout of little more than half the 2,500,000 electorate.

Resignation of Attorney General

Attorney General Angel Baldivieso Guzmán, who had been investigating illegal arms transfers [p. 39683], finally resigned his post on Dec. 22 after weeks of media speculation. Public confidence in the judicial system under President Sánchez de Lozada had been shaken by corruption allegations.

■ Last article p. 39733; reference article pp. R31-32.

VENEZUELA

Presidential elections

In a general election held on Dec. 5 voters rejected the country's two traditional parties, electing as President the political veteran and populist Rafael Caldera Rodríguez.

The vote was seen as a rejection of official corruption, and of the free-market economic policies followed since 1989 by suspended President Carlos Andrés Pérez. Caldera became the first candidate not belonging to the Democratic Alliance party (AD) or the Social Christian Party (COPEI) to win an election since the return of democracy in 1958. He would begin his five-year term on Feb. 2, 1994, replacing acting President Ramón José Velásquez.

Caldera, a leading Christian Democrat and co-founder of COPEI, had been President in 1969-74, but had been expelled from COPEI in June [see p. 39505], and contested the election under the banner of the National Convergence (CN) coalition, a makeshift alliance of 17 parties ranging across the political spectrum.

According to final results released by the Supreme Electoral Council (SEC) on Dec. 10, Caldera of the CN won 30.45 per cent of the votes cast, as against 23.59 per cent for Claudio Fermín of the ruling AD, and 22.72 per cent for Oswaldo Alvarez Paz of COPEI. Andrés Velásquez, a state governor of the left-wing Radical Cause party (Causa-R), won 21.94 per cent on an anti-corruption platform.

Earlier exit polls and SEC results had put Causa-R's candidate in a strong second place, with AD trailing a distant fourth. Both the CN and Causa-R alleged that manipulation and fraud by the two traditional parties had deprived them of thousands of votes.

Voting had taken place peacefully, despite the tense atmosphere of the pre-election period and the prevalence of rumours of a possible coup. Causa-R accused Defence Minister Vice-Adm. Rádames Muñoz León—alleged to have sought to discredit the party by claiming its involvement in recent coup conspiracies [see p. 39732]—of planning a coup to prevent a Causa-R election victory. US Assistant Secretary of State Alexander Watson, making an unexpected visit in the run-up to polling, warned the Venezuelan authorities that any non-democratic government would face an economic embargo and other sanctions. [For two military coup attempts in 1992 see pp. 38759-60; 39185-86.]

Although voting was in theory obligatory, more than 40 per cent of the 10,000,000 voters were reported to have abstained, more than double the rate in the last general election in 1988. [For 45 per cent abstention rate in 1992 state elections see p. 39233.]

Legislative election results

Congressional elections held at the same time also saw a reduction in the power of the two main traditional parties. Three blocs emerged: (i) the CN, including the Movement Towards Socialism (MAS); (ii) Causa-R; and (iii) COPEI and AD. Elections were also held for 362 state legislators.

Pardons relating to 1992 coup attempts

On Dec. 16 acting President Velásquez pardoned 15 members of the military and three civilians alleged to have been involved in the February and November 1992 coup attempts.

■ Last article p. 39732; reference article p. R58.

ARGENTINA

Constitutional reform accord

On Dec. 13 President Carlos Saúl Menem and former President Raúl Alfonsín Foulkes, leader of the opposition Radical Civic Union (UCR), signed a 10-point accord finalising negotiation of constitutional reforms which they had initially agreed in November, including the lifting of the ban on consecutive presidential terms and the shortening of a president's period in office [see pp. 39734-35]. The agreement was then approved by the Chamber of Deputies and, on Dec. 29, by the Senate. Menem, who had led a vigorous campaign to seek re-election at the end of his present six-year term in 1995 [p. 39682], then announced that elections would be held on April 10, 1994, for a constituent assembly to draft and approve the new constitution.

The breakthrough in the Menem-Alfonsín negotiations occurred after the two leaders had resolved a dispute over the powers of the co-ordinating minister envisaged by the reforms. While Menem stressed that the role of this official should be strictly confined to co-ordination, Alfonsín insisted on a prime ministerial role, but was reportedly forced to reduce his demands in order to secure a deal guaranteeing at least some weakening of the presidential system. Under the package, the executive would be barred from issuing emergency decrees to bypass the Congress on tax, penal, electoral and political party matters. Left unclear, however, was the minimum percentage of votes sufficient for a presidential candidate to avoid a second round.

Alfonsín's mandate to reach agreement with Menem had been strengthened in mid-November, when he regained the UCR presidency, and on Dec. 4, when a meeting of the party's national committee voted in favour of approval of the constitutional reform package.

According to reports, an unwritten feature of Menem and Alfonsín's December deal was an agreement to make changes in the composition of the Supreme Court, which had been expanded with a number of Menem appointees in 1989. Sensing that satisfaction of demands for "juridical security" would be crucial to securing Radical support for the reform package, officials of the ruling Peronist administration had mobilized public opinion to press for the resignation of judges, a tactic criticized by the Catholic Church. On Nov. 30 Antonio Boggiano resigned as the president (but not as a member) of the Supreme Court, and on Dec. 1 his intended interim replacement, Rodolfo Barra, resigned after Menem declared that there had been rumours that he would step down to assist the

reform process. Menem added that another judge, Ricardo Levene, would be retiring the following February. On Dec. 3—the day before the UCR meeting to discuss the Menem-Alfonsin deal—Mariano Cavagna Martínez also tendered his resignation, although another judge, Augusto Bellusci, an Alfonsin appointee facing impeachment proceedings in Congress, had angrily rejected Menem's calls for him to resign.

Violent protests over austerity measures

In mid-December six people were killed and 120 injured in violent protests in the north-western city of Santiago de Estero, eponymous capital of one of Argentina's poorest provinces, over austerity measures introduced as part of the federal government's plan to cut the provincial public deficit.

The disturbances, some of the most violent in Latin America in recent years, followed an announcement by Santiago's governor that salaries for September and October would not be paid. Units of the federal police and the border police were called in to restore order after rioters set fire to the government building and other public buildings. Protests against public employee redundancies had taken place earlier in the month in La Rioja, Menem's home province.

■ Last article pp. 39733-34; reference article pp. R28-29.

FALKLAND (MALVINAS) ISLANDS

Major oil discovery

The British Geological Survey announced on Dec. 1 that initial studies suggested the presence of a considerable oilfield within a 200-mile radius of the Falkland (Malvinas) Islands.

It was estimated that these deposits could hold 50 per cent more oil than the British sector of the North Sea field. Preparatory drilling was expected to give more precise estimates by mid-1994, with oil production possible within five to seven years.

Responding to fears that this announcement might renew Argentina's desire to take the islands by force President Carlos Saúl Menem said on Dec. 3, in the course of a visit to Japan, that he would "never authorize the acquisition of the Malvinas Islands on the strength of the military"; his administration was determined to develop the natural resources of the Malvinas Islands in conjunction with the United Kingdom government, and would seek a diplomatic solution on the issue of sovereignty over the islands.

Acceptance of fishing zone extension

It was reported on Dec. 14 that the Argentine government had accepted the extension of the islands' fishing zone from 150 miles (as established in 1990—see p. 37245) to 200 miles.

The Argentine Foreign Ministry declared that the decision had been taken "in view of the [islanders'] dire financial straits". It would enable islanders to reach the fishing quota assigned to them under an agreement on squid quotas concluded in November, allowing the islands and Argentina 150,000 and 220,000 tonnes of squid respectively.

■ Last article p. 39683; reference article p. R40.

BRAZIL

Economic stabilization plan

Finance Minister Fernando Henrique Cardoso unveiled on Dec. 7 a "gradualist" economic stabilisation plan to tackle inflation and control public spending.

The stabilization package, the seventh since 1986, followed the presentation in late November of the 1994 budget outlining tough budget cuts. Intended to avoid the "shock" measures of previous plans, the first stage of the stabilization plan, built into the budget, called for measures to reduce public spending and to raise revenue in order to help eliminate a projected deficit of the equivalent of US\$22,200 million. The cuts, aimed at saving the government the equivalent of an estimated \$7,000 million, would include a set-aside of 15 per cent of the transfers from the central government to states and municipalities. There would also be a 5 per cent increase in all federal taxes, raising up to the equivalent of \$3,900 million.

Cardoso said that once Congress had approved the budget and the necessary constitutional amendments to enable the first phase to go ahead, the government would introduce a new index to measure inflation, the Unit of Real Value (URV). The URV would eventually be linked to the dollar or a basket of currencies and adjusted daily. It would then become a new currency unit, backed by Brazil's reserves, and the Central Bank would be given greater independence in terms of monetary emission. Commentators suggested that the measures would lead to "dollarization" (the subordination of monetary policy to the US dollar) and pointed to plans to unify exchange rates as a step in this direction.

On Dec. 29 President Itamar Franco signed and sent to the Congress three provisional measures and a draft law which would increase income tax for wealthier Brazilians. On Dec. 15 the Supreme Court approved the so-called "cheques tax" [see p. 39506] which it had previously declared unconstitutional.

Resignation of ministers

Social Welfare Minister Antônio Brito became on Dec. 8 the first of a number of min-

isters to resign in December, following an announcement by Franco that ministers wanting to contest the October 1994 general election would have to give up their posts by the end of the year.

Brito was replaced by Sérgio Cutolo, while José Israel Vargas took over from Paulino Cicero to become acting Mines and Energy Minister. Subsequent resignations were: Communications and Transport Minister Alberto Goldman (replaced by Margarida Coimbra do Nascimento); Industry, Commerce and Tourism Minister José Eduardo Andrade Vieira (replaced by Cosséte Alves); and Agriculture Minister Dejanir Dalpasquale (replaced by Alberto Portugal).

The government leader in the Chamber of Deputies, Roberto Freire, also resigned his post on Dec. 14, but was persuaded to continue until Franco had found a replacement.

In an unrelated development José Jerônimo Moscardo de Souza resigned as Culture Minister and was replaced by Luis Norberto do Nascimento Silva.

Confirmation of ban on Collor

On Dec. 16 the Supreme Court confirmed a Senate vote the previous December banning the disgraced former President Fernando Collor de Mello from public office for eight years [see p. 39233].

■ Last article p. 39734; reference article pp. R32-33.

IN BRIEF

JAMAICA: Omar Davies, nominated as Finance Minister in August [see p. 39592], took office on Dec. 3 after winning a parliamentary seat at a by-election on Dec. 1.

PARAGUAY: President Juan Carlos Wasmosy dismissed Foreign Affairs Minister Diógenes Martínez on Dec. 16 after differences over negotiations with Brazil over the treaty on the Itaipú hydroelectric power scheme which had been signed in 1973 and modified in 1986 [see pp. 26389; 34418]. Martínez was replaced by Luis María Ramírez Boettner, hitherto ambassador to Brazil.

ASIA - PACIFIC

JAPAN

Resignation of Defence Agency head

The Director General of the Defence Agency, Keisuke Nakanishi, resigned on Dec. 2 amid controversy over a speech in which he had advocated revision of Article 9 of Japan's Constitution—which renounced the use of war and the maintenance of armed forces.

Nakanishi, a member of *Shinseito* (the Japan Renewal Party) which formed part of the seven-party coalition government of Prime Minister Morihiro Hosokawa, had delivered his speech at a private *Shinseito* reception on Dec. 1. He had stated that "at a time when the world is changing rapidly it is not good to stick to the war-renouncing constitution

which was drafted half a century ago". These remarks caused a furore within the Social Democratic Party of Japan (SDPJ), the largest party in the governing coalition and a traditional supporter of Japan's constitutional renunciation of war. The timing of the controversy was particularly embarrassing for Hosokawa, as he was engaged in complex inter-party negotiations within the coalition in an attempt to secure support for his controversial move to end the prohibition of rice imports [see below].

Nakanishi's prompt resignation spared the Hosokawa government from serious damage, and he was replaced later on Dec. 2 by his *Shinseito* colleague Kazuo Aichi, Director General of the Environment Agency in 1990-91. The affair nevertheless served to underline the deep ideological divisions within the coalition. The Prime Minister apologized for

Nakanishi's remarks, and Aichi made a point of emphasizing his commitment to discharge his duties within the framework of Article 9.

Continued debate on political reform - Opening of domestic rice market

The opposition Liberal Democratic Party (LDP) used Nakanishi's remarks as a pretext for disrupting business in the Diet and delaying the approval of the political reform measures currently under consideration.

The reform package—which altered the country's discredited multi-member constituency system to one of a mixture of single-seat constituencies and proportional representation and proposed much stricter control over the receipt of political donations and prohibited politicians found guilty of corruption from holding further office—had been passed by the lower house in November [see p. 39738]. However, since Hosokawa had threatened to resign if the initiative was not adopted by the end of the year, the LDP sought to use every opportunity to delay the debate.

The debate over political reform was further complicated by Hosokawa's televised announcement on Dec. 14 that, in accordance with Japan's obligations under the General Agreement on Tariffs and Trade (GATT), he would open the country's domestic rice market to foreign imports.

The timing of the decision, which had followed months of debate, was determined by the GATT market-access negotiations in Geneva [see p. 39794]. The GATT agreement—which gave Japan a six-year grace period before having to replace its prohibition with a system of tariffs, in return for a commitment to import 4-8 per cent of its rice from 1995—led to demonstrations by angry farmers. It was also denounced furiously by the LDP, a traditional supporter of Japan's rice growers, and by the opposition Japan Communist Party (JCP). The move was also opposed by some individual members of the SDPJ, although the party's leadership had been persuaded, finally, to endorse the decision on Dec. 13.

Notwithstanding the opposition's fury, Hosokawa held together the coalition and used his majority to extend the current session of the Diet. Instead of concluding on Dec. 15 as scheduled, the session was extended until Jan. 29, 1994, a move which appeared greatly to enhance the government's chances of enacting its political reforms.

Death of Tanaka

As the Diet was considering the political reform proposals, Kakuei Tanaka, the man who more than any other was responsible for the creation of the current system of money politics, died on Dec. 16, at the age of 75. His funeral, held on Dec. 25, was attended by Hosokawa and numerous former Prime Ministers.

A self-made businessman from a humble background and an LDP Diet member from 1947 onwards, Tanaka became Prime Minister in 1972 [see p. 25413]. He was renowned for his skilful manipulation of the party's factional structure, and for the huge system of patronage which he created both within the party and through contacts with the civil service and big business. He was forced from office by corruption allegations after 27 months [see p. 26917], and in 1983 was convicted of accepting

bribes from the Lockheed Aircraft Corporation [see pp. 32634-35]. Sentenced to four years' imprisonment (although his appeal remained under consideration by the Japanese Supreme Court at the time of his death), he nevertheless continued to sit in the Diet, and to exercise enormous influence within the LDP through his faction, until he was forced to retire following a stroke in 1985. His faction thereafter fell under the dominance of Noboru Takeshita and Shin Kanemaru, both of whom were subsequently forced to retire from political life through corruption charges.

■ Last article pp. 39737-38; reference article pp. R69-70.

NORTH KOREA

Nuclear inspections issue

The impasse between the International Atomic Energy Agency (IAEA) and the North Korean government, over North Korea's refusal to submit its nuclear facilities to full inspection, continued during December.

The North Korean government delivered a message to the IAEA on Dec. 1 which reiterated its refusal to submit to international pressure over the issue. On the following day, at a meeting of the IAEA Board of Governors in Vienna, Director-General Hans Blix delivered a carefully worded statement which declared that there was no longer any "meaningful assurance" that North Korea was using its nuclear materials solely for peaceful purposes. The statement stopped short of declaring that the inspection process had broken down in its entirety—a step generally thought likely to trigger the imposition of UN sanctions—but Blix's office later made it clear that such a statement would be forthcoming in the near future unless the dispute was resolved.

Tension was increased further on Dec. 2 when the North Korean government accused the US administration of being "trigger-happy". The statement followed remarks by CIA Director James Woolsey to the effect that the confrontation with North Korea could lead to war.

Following talks on Dec. 3 between US and North Korean representatives at the UN, North Korea offered to open some of its nuclear sites to inspection. This offer was rejected by the US government on Dec. 6, on the grounds that, while it would allow unfettered access to five nuclear sites, it imposed restrictions on access to the two Yongbyon facilities which lay at the heart of the dispute. The offer also failed to acquiesce fully to the US demand that the North Korean government commit itself to a resumption of dialogue with South Korea. The US rejection was endorsed by both the South Korean government and the IAEA.

US President Bill Clinton warned on Dec. 8 that the confrontation could develop into "a full-blown crisis". While continuing to express his hope that it could be resolved peacefully, he stated that "I am confident that, God forbid, if any kind of conflict should come, we could do what we need to do". On the following day the North Korean Foreign Ministry appeared to aggravate the stand-off by stating that the offer to open a limited number of nuclear sites was the "largest concession" which could be made, and that a US rejection would mean that the Clinton administration "no longer has the intention to continue dialogue".

US and North Korean representatives held further sessions of talks at the UN during December. On Dec. 24 it was reported that an agreement was close after the North Koreans had accepted the principle of opening all nuclear sites.

Although an agreement had still to be reached over the resumption of dialogue with South Korea, and over the precise form of an agreement with the IAEA, US officials were optimistic that the dispute could be resolved satisfactorily through diplomatic means. This sense of optimism was bolstered further when, on Dec. 29, it was reported that North Korean President Kim Il Sung had expressed his government's willingness to resume talks with the South.

UN Secretary General Boutros Boutros-Ghali made a three-day visit to North Korea on Dec. 24-26 during which he held talks with President Kim and with his son and heir apparent, Kim Jong Il.

Boutros-Ghali, who crossed into the North via the heavily fortified Demilitarized Zone (DMZ), having made a visit to South Korea, later appealed for all sides in the dispute to continue to negotiate and to display "patience" in seeking its resolution.

Promotion of President's brother - Other appointments

Significant internal developments within North Korea during December included in particular the continued political rehabilitation of Kim Yong Ju, 71, the younger brother of Kim Il Sung, 81, who took up high-level party and state posts.

Kim Yong Ju had disappeared for 18 years after being displaced as Kim Il Sung's officially designated successor by the President's son Kim Jong Il. He had only re-emerged in July 1993 [see p. 39557].

At the 21st plenary meeting of the sixth central committee of the ruling Korean Worker's Party (KWP), held on Dec. 8, it was announced that Kim Yong Ju had been reinstated as a member of the party politburo. Two alternate members lost their positions—Kim Tal Hyon, a leading advocate of economic reform [see also below], and Kim Yong Sun, who had been a key influence in determining foreign policy—apparently as scapegoats for the economic and diplomatic failures which had occurred during 1993.

The ninth Supreme People's Assembly (SPA), the North Korean legislature, held its sixth session on Dec. 9-11, and on Dec. 11 approved the election of Kim Yong Ju as an additional Vice-President. This status was also accorded to Kim Pyong Sik, chairman of the Chosen Socialist Democratic Party (a grouping subordinate to the KWP). The other principal change was the dismissal of Kim Tal Hyon as a Deputy Premier and Chairman of the State Planning Committee, the latter position going to Hong Sok Hyong.

The level of economic failure was acknowledged officially to an unprecedented extent at the KWP central committee session of Dec. 8, in its review of the current seven-year economic plan (1987-93). A communiqué stated that the economy had suffered "grim trials" and that it would be impossible to fulfil the plan's targets. Three years of economic adjustment would be necessary, it was concluded, with priority being given to the

development of agriculture, light industry, and foreign trade.

The cause of the economic failure was identified as the collapse of many of North Korea's traditional communist allies and the subsequent need to pay for much of the country's trade in scarce hard currency. The danger of imminent war had also caused the country to "divert a big proportion of the economy to national defence".

■ Last article p. 39736; reference article R73-74.

SOUTH KOREA

Dismissal of government

President Kim Young Sam completed on Dec. 21 a major government reorganization involving the replacement of well over half the members of his Cabinet, in continuation of his pursuit of reform but also, more immediately, in response to widespread angry demonstrations against the opening of the country's rice market, announced by him on Dec. 9.

The policy change, in accordance with the General Agreement on Tariffs and Trade (GATT) Uruguay Round agreement [see p. 39794], was a step which reversed the President's earlier promises to protect farmers from foreign rice imports. It was seen as having been prompted by the need to remain on friendly terms with the USA during a period of increasing tension with North Korea.

On Dec. 16 Kim had replaced Prime Minister Hwang In Sung and dismissed the entire Cabinet. The new Prime Minister, Lee Hoi Chang, 58, in his previous capacity as chairman of the Board of Audit and Inspection (BAI), had led the investigation into bureaucratic corruption which since Feb-

New South Korean Cabinet

Lee Hoi Chang Prime Minister
 Chung Jai Suk Deputy Prime Minister/Economic Planning Minister
 Lee Yung Duk Deputy Prime Minister, National Unification
 *Han Sung Joo Foreign Affairs
 Choi Hyung Woo Home Affairs
 *Hong Jae Hyung Finance
 *Kim Doo Hee Justice
 Rhee Byoung Tae National Defence
 Kim Sook Hee Education
 *Lee Min Sup Culture and Sports
 Kim Yang Bae Agriculture, Forestry and Fisheries
 +Kim Chul Su Trade, Industry and Resource
 Kim Woo Suk Construction
 Suh Sang Mok Health and social affairs
 Nam Jae Hee Labour
 Oh Myung Transportation
 *Yoon Dong Yoon Communications
 Hwang Young Ha Government Administration
 Park Yun Heun Environment
 *Oh Inn Hwan Information
 Suh Chung Won First Minister of State for Political Affairs
 Lee Chung Kil Patriots and Veterans' Affairs
 *No change.
 +Altered responsibilities.

ruary had resulted in the dismissal of an estimated 3,000 government officials [see pp. 39418; 39637]. Lee had also served two terms on the Supreme Court since 1981.

■ Last article pp. 39736-37; reference article pp. R74-75.

CHINA

New financial measures

The Chinese authorities on Dec. 1 unveiled details of the most comprehensive overhaul of the country's taxation system since the 1949 revolution. The reforms, due to be phased in from Jan. 1, 1994, were designed to increase the tax yield for central government, which had fallen from 26.7 per cent of gross national product (GNP) in 1979 to 15.8 per cent in 1991.

Among the key measures involved in the reforms were (i) the adoption of a new progressive scale of personal income tax ranging from 5 per cent to 45 per cent; (ii) the introduction of a uniform 33 per cent rate of corporate tax which would replace the 55 per cent rate currently levied on large and medium-sized businesses (with foreign enterprises continuing for the moment to enjoy preferential rates of tax, but with a commitment eventually to bring these into line with the new uniform rate); (iii) the levying of value added tax (VAT) of 17 per cent on all goods, together with additional excise duties on luxury items (including cigarettes, alcohol and cosmetics) and on gas and petrol; and (iv) the imposition of taxes on property transactions, stock exchange transactions and inheritance.

In a further reform the People's Bank announced on Dec. 29 that its cumbersome two-tier foreign exchange system would be unified from Jan. 1, 1994. The move, which had long been sought by foreign businesses, was seen as bringing China's currency a step nearer to full convertibility.

■ Last article p. 39735; reference article pp. R65-66.

HONG KONG

Presentation of Patten reforms

Frustrated by stalemate in Sino-British negotiations, Hong Kong Governor Chris Patten sent to the colony's legislature on Dec. 10 a bill embodying some of the less controversial of the reform proposals which he had first unveiled in October 1992 [see pp. 39143; 39365-66].

Among Patten's October 1992 proposals were plans (i) to lower the voting age from 18 to 21 for the last legislative elections scheduled to take place under British auspices in 1995; (ii) to introduce a single seat constituency system for all elections; and (iii) to abolish appointed seats on district boards and municipal councils. Sino-British talks on the political future of Hong Kong had resumed in April 1993 [see p. 39416], but as of the end of November the only matter upon which China seemed prepared to consider compromise was the voting age. The 16th and 17th round of the Sino-British talks took place in Beijing on Nov. 19-21 and Nov. 26-27, but ended inconclusively and, for the first time, without an undertaking to meet again. The Dec. 10 bill represented the first formal step towards the enactment of reform measures, and Patten had secured the backing of the Executive Council by a margin of 10-1 on Nov. 30. There was

a limited legislative timetable into which reforms could be fitted.

Avoiding the main issue of how most of the Legislative Council would be elected in 1995, and on what terms its members would serve until 1999, the proposals contained in the Dec. 10 bill reflected the need to maintain support within the conservative Liberal party in the Legislative Council.

Chinese reaction

The decision to proceed unilaterally with reform was greeted by the Chinese with fury, unprecedented in recent years.

Three days of meetings of the Sino-British Joint Liaison Group (JLG) in London ended in impasse on Dec. 12 with no date arranged for the next meeting. As a sanction against the UK China had apparently decided to slow down the work of the JLG, a body concerned with the administrative and practical aspects to the handover of power.

On Dec. 27 a statement announced that China no longer adhered to the concept of a "through train" ie. the right of elected politicians to serve beyond 1997. Furthermore China undertook to abolish on July 1, 1997, all laws governing terms for elected local councillors and legislators. Unless China were to reverse its current position, the Legislative Council, the municipal councils and district boards would be disbanded and re-organized according to the Basic Law, the territory's post-1997 constitution, approved by China in 1990.

The quarrel led to a withdrawal of Chinese co-operation in economic fields, especially concerning the planned new airport for Hong Kong. It was reported that China had drawn up a list of British companies to be targets of economic sanctions if the British government pressed ahead with reform. Throughout the crisis political authorities in London went to considerable lengths to ensure that Patten was seen to be acting with the full support of the UK Cabinet. Before the start of the 17th round of Sino-British negotiations, Patten had warned, after attending the ministerial committee on Hong Kong and other dependent territories in London on Nov. 10, that he had backing to "pull the plug" on talks with China if an agreement could not be reached.

■ Last article pp. 39688-89; reference article p. R67.

TAIWAN

Relations with China

The recent spate of aircraft hijackings from mainland China to Taiwan [see p. 39736] continued to strain relations between the two countries during December.

Airliners on internal flights were hijacked on Dec. 8 and Dec. 12, bringing the total of such cases since April 1993 to nine. In an effort to counter the problem, the Chinese authorities on Dec. 16 expanded the list of items which were prohibited to passengers travelling by air. Nevertheless, on Dec. 28 a 10th aircraft was hijacked to Taipei by a couple who claimed to be armed with explosives. On the following day it was reported that a further incident had been prevented when a hijacker was overpowered by cabin staff.

The issue of the repatriation of hijackers was the central subject of discussions in Taipei on Dec. 18-23, at the third round of working-level talks between China's Association for Relations Across the Taiwan Straits

(ARATS) and Taiwan's Straits Exchange Foundation (SEF).

The talks followed those held in August and November [see pp. 39638; 39736]. In addition to the issue of air piracy, the two sides also discussed other bilateral concerns such as illegal immigration and fishing disputes. The meeting ended without any firm agreement, and the two sides remained divided over the question of whether Chinese hijackers should be repatriated to the mainland before or after they had been subject to the Taiwanese judicial process.

■ Last article pp. 39735-36; reference article pp. R82-83.

KAZAKHSTAN

Suspension of parliament pending March elections

Kazakhstan's Supreme Soviet dissolved itself on Dec. 13, having voted on Dec. 8 for elections to a newly constituted, full-time professional legislature, to take place on March 7, 1994. The Supreme Soviet gave President Nursultan Nazarbayev the power to rule by decree in the interim. Nazarbayev's People's Unity of Kazakhstan party and the opposition People's Congress of Kazakhstan issued a joint statement backing the decision.

On Dec. 9 the Supreme Soviet approved the abolition of elected local and regional soviets, which Nazarbayev planned to replace with administrators appointed by himself.

Government appointments

In a decree of Dec. 18 Nazarbayev appointed Kazhageldin Akezhan Magzhan Ulu as First Deputy Prime Minister, replacing Daulet Sembayev, who remained in the Cabinet as the new Chair of Kazakhstan's National Bank, replacing Galym Baynazarov.

Karatay Turysov had been removed as Minister for Tourism, Physical Education and Sport in a presidential decree of Dec. 17. In his place, Aytimova Byrganym Sariyevna was named to head a reorganized Ministry for Youth, Sport and Tourism.

US aid pledge

Kazakh Television reported on Dec. 14 a US government pledge of US\$150 million to develop Kazakhstan's private sector, on condition that economic reforms continued, and a further \$15,000,000 for environmental projects.

■ Last article p. 39738; reference article p. R72.

KIRGIZSTAN

Replacement of government

Prime Minister Tursumbek Chyngyshev failed to win a vote of confidence in the *Uluk Kenesh* (legislature) on Dec. 13 over illegal gold exports. President Askar Akayev thereupon dismissed the government, and a new one was approved by the *Uluk Kenesh* on Dec. 17.

Akayev's press service claimed on Dec. 6 that members of a parliamentary commission investigating the gold scandal had falsified evi-

New Kirgizstan Cabinet

Apas Jumagulov Prime Minister
Almambek Matubraimov First Deputy Prime Minister
Osmon Ibraimov Deputy Prime Minister
Jumgalbek Amanbayev Deputy Prime Minister
Andrey Iordan Deputy Prime Minister
Esengul Omuraliyev Deputy Prime Minister
Yan Fisher Deputy Prime Minister
(Vacant) Foreign Affairs
Kamchibek Shakirov Finance
*Abdybek Satalinov Internal Affairs
Mukar Cholponbayev Justice
*Gen. Myrzakan Subanov Defence
Madybek Oblesov Transport
Askar Kakeyev Education
Meyrazhdin Zulpeyev Water Resources
Naken Kasiyev Health
*Emil Bektenov Communications
Zafar Khakimov Labour and Social Affairs
Cholponbek Bazarbayev Culture
Jalal Asanov Agriculture
*Held similar office in previous administration.

dence. Allegations of Chyngyshev's involvement were nevertheless aired in parliament on Dec. 9, and prompted the resignation on Dec. 10 of the Vice-President, Feliks Akulov. Chyngyshev claimed on Dec. 13 that the uproar in parliament over the scandal was part of "a creeping counter-revolution" designed to discredit reform and to strengthen the position of conservatives.

Presidential referendum plan

Plans announced by Akayev on Nov. 30 for a referendum in January 1994 on confidence in his presidency went ahead, despite parliament's declaration on Dec. 7 of its opposition. US Vice-President Al Gore visited Kirgizstan on Dec. 12-13, describing his visit as "an expression of the active support by the American administration for the policy of Askar Akayev".

Suspension of agrarian reform - New party

The Russian Mayak Radio on Dec. 23 reported that the newly appointed Agriculture Minister, Jalal Asanov, had declared a temporary cessation of agricultural privatization and land reform. The report implied that he regarded previous implementation of the reforms as chaotic.

On Dec. 5 Kirgiz Radio had reported the registration of the Agrarian Party. A spokesman for the party described the land reform programme as "unviable", but nevertheless called for private ownership of land.

■ Last article p. 39738; reference article pp. R72-73.

TURKMENISTAN

Dual citizenship accord with Russia

Turkmen President Saparmurad Niyazov and Russian President Boris Yeltsin signed an accord on Dec. 23 in the Turkmen capital Ashkabad, allowing Turkmenistan's 400,000

ethnic Russians to hold joint Turkmen and Russian nationality. The accord, which was designed to ease ethnic tensions, was the first such agreement between Russia and another former Soviet state.

Resignation of Foreign Minister

Proposals by senior members of the ruling Turkmen Democratic Party (formerly the Communist Party), effectively to grant Niyazov life tenure by cancelling the scheduled presidential elections due in 1997, prompted Turkmenistan's Foreign Minister Khalykberdy Atayev to resign in protest, according to the Russian journal *Segodnya* of Nov. 30. Atayev reportedly claimed that Niyazov was undermining democracy in Turkmenistan by seeking "more personal power than a medieval despot".

Full CIS membership

Turkmenistan formally became a full member of the Commonwealth of Independent States (CIS) on Dec. 24, at a summit meeting of CIS leaders held in Ashkabad on Dec. 23-24 [see p. 39790].

■ Last article p. 39639; reference article pp. R84-85.

TAJIKISTAN

Resignation of Prime Minister

Abdumalik Abdullojanov resigned as Prime Minister on Dec. 19 and under a presidential decree of Dec. 22 was appointed First Deputy Prime Minister and Tajik ambassador to Russia. The Russian daily *Nezavisimaya gazeta* of Dec. 21 reported that Abdullojanov had been under pressure to resign due to the poor state of the economy.

Deputy Prime Minister Abduljalil Samadov was appointed as acting Prime Minister on Dec. 22.

■ Last article p. 39686; reference article p. R83-84.

PAKISTAN

Removal of Nusrat Bhutto as PPP co-chair

The central executive council of the ruling Pakistan People's Party (PPP) elected Prime Minister Benazir Bhutto as sole leader on Dec. 5, ousting Nusrat Bhutto who had been co-chair with her daughter since 1986 [see p. 34994].

Relations between the two women had become increasingly estranged over the political role of Benazir's brother Murtaza Bhutto, who had been arrested when he returned to Pakistan in November to take his seat as a member of the Sind provincial assembly [see pp. 39685; 39738]. On Dec. 19, Murtaza Bhutto pleaded not guilty to charges of insurgency and terrorism.

By-elections

Of 12 by-elections to the National Assembly held on Dec. 2, the PPP and its allies won six. The PPP's total representation in the National Assembly was thereby raised to 98 of the 217 seats. Of the remaining six by-elections four were won by the Pakistan Muslim League-

Nawaz Sharif group (PML-N) (including one in Lahore, Punjab), one by the *Pakhtoonkwa Milli Awami* Party and one by an independent. In by-elections, also on Dec. 2, for 10 provincial assembly seats the PPP won four in Punjab and one in Sind, the PML-N one each in Sind and the North West Frontier Province, the Pakistan Muslim League-Junejo group (PML-J) two seats in Punjab, and the *Muttahida Deeni Mahaz* one.

Acquittal of Zardari

On Dec. 19, the Prime Minister's husband Asif Ali Zardari was acquitted on kidnapping charges.

With his latest acquittal, Zardari, a member of the National Assembly, was discharged in 12 of the 13 cases brought against him since October 1990 [see p. 37764]. He remained on bail while facing a final charge of defrauding a local bank.

Appeal by Amnesty International

The human rights organization Amnesty International on Dec. 7 issued a report calling on the government to live up to its election promises and bring an end to human rights violations in the country. Amnesty described as "endemic" the use of torture by police, paramilitary and military authorities in Pakistan.

Arms sales dispute with USA - Bhutto visit to China

Foreign Minister Ahmed Asif Ali on Dec. 14 set a deadline of April 1994 for the resolution of Pakistan's dispute with the US government over arms sales [see pp. 36736; 37764; 39600; 39640].

A visiting US Senate delegation (including Senator Larry Pressler, sponsor of the Pressler amendment—see below) met with Ali on Dec. 14 and with President Farooq Ahmed Khan Leghari and Prime Minister Bhutto on Dec. 15. Ali told the delegation that Pakistan would look to other countries if the USA did not resume its arms sales.

US military and economic aid had been suspended under the Pressler amendment in 1990 because the US Congress had not received presidential certification that Pakistan was not engaged in the manufacture of a nuclear weapon (see p. 37764; however, reports in December 1993 indicated that the US administration was shortly to present new legislation to the US Congress which would remove the linkage of US aid with nuclear non-proliferation). Further sanctions were imposed in August 1993 following intelligence reports that Pakistan was importing medium-range missiles from China in violation of the Missile Technology Control Regime (MTCR) [see pp. 39600; 39641].

On Dec. 27 Bhutto began a three-day visit to Beijing, at the end of which she reiterated that Pakistan and China had not violated the MTCR.

China and Pakistan had signed on Dec. 4 an agreement extending Chinese credit facilities for Pakistan to procure defence equipment.

Bhutto's visit to Iran and Turkey

Bhutto paid an official visit to Iran on Dec. 8-10, holding discussions with Iranian President Ali Akbar Rafsanjani, and travelled on to Ankara, the Turkish capital, where she had talks on regional issues and bilateral co-operation with Turkey's Prime Minister Tansu Ciller.

■ Last article p. 39738-39; reference article pp. R78-79.

INDIA

State election results

Congress (I) received encouragement in early December with the declaration of full results of state assembly elections held at the end of November [see p. 39739]. The elections represented a serious setback for the *Bharatiya Janata Party* (BJP).

While it secured control over New Delhi, the BJP was defeated by the Congress (I) in both Himachal Pradesh and Madhya Pradesh, by a combination of Congress (I) and local political allies in Mizoram, and by a popular lower caste alliance led by *Samajwadi Party* (SP) and *Bahujan Samaj Party* (BSP) in Uttar Pradesh. In Rajasthan neither the BJP nor Congress (I) won a majority, but the BJP was invited to form a government dependent on the support of independents.

The BJP failed to win support among poor rural Indians, who remained suspicious of its upper-caste composition. Muslim minorities in most constituencies also used their vote to protest against the BJP's involvement in the affair of the destruction of the Ayodhya mosque in December 1992 [see pp. 39222].

New state governments

On Dec. 3, a Congress (I) government headed by Chief Minister Vir Bhadra Singh assumed office in Himachal Pradesh. On Dec. 4, a coalition ministry headed by the SP leader, Mulayam Singh Yadav, was sworn in in Uttar Pradesh. On the same day, Bhairon Singh Shekhwat of the BJP was invited to become Chief Minister of Rajasthan for the third time, with his government's majority dependent on the support of 10 independent deputies.

On Dec. 5 Congress (I) governments were confirmed in both Madhya Pradesh and Mizoram, headed by Digvijay Singh and Lal Thanhawla respectively. In the union territory of Delhi M. L. Khurana of the BJP became the first Chief Minister since the dissolution in 1956 of the assembly, which had been inaugurated in 1952 after five years of central rule; the creation of a new state assembly had been approved by the central parliament in December 1991 [see p. 38682].

Other developments in states

On Dec. 15 the human rights organization Amnesty International issued a report alleging that "disappearances" in Kashmir and Punjab had become "systematic" and pointing to evidence of the deliberate and unlawful suppression of information by the army and security

forces. The government criticized the report as "substantially incorrect", "ill-advised" and "ill-timed".

In Kashmir 19 people were killed on Dec. 17 in a confrontation between Indian troops and Muslim separatists, and 13 more died in clashes on Dec. 19. A general strike was observed by many Kashmiri Muslims from Dec. 16-18 to protest against the killing of two Muslim separatist leaders by Indian security forces.

President's rule was imposed on Manipur on Dec. 31 following a renewed outbreak of inter-tribal fighting [see pp. 39601; 39640; 39686].

On Nov. 19, the Supreme Court cleared the Chief Minister of Maharashtra, Sharad Pawar, who had appealed against the March 1993 finding of the Bombay High Court that he was guilty of corrupt electoral practices during the 1991 *Lok Sabha* elections [see pp. 39371; 39415].

On Dec. 8, the Maharashtra state government signed an agreement with the US company Enron Power, to buy electric power from an Enron 695 MW gas-fired plant to be built at Dhabol. The successful completion of talks was considered vital to the Indian government's efforts to attract foreign investment [see p. 39414].

The first anniversary on Dec. 6 of the destruction of the mosque at Ayodhya in Uttar Pradesh [see p. 39222] was marked by bomb explosions aimed at four Delhi-bound trains, which killed two passengers and injured more than 20 others. The following day, eight Hindu nationalist leaders, including BJP president L. K. Advani, were remanded in custody in Lucknow, on charges of conspiracy in connection with the Ayodhya mosque incident.

Report on securities scandal

On Dec. 21, the joint parliamentary committee [see pp. 39053; 39512] issued its report on the May 1992 Bombay securities scandal [see p. 38913; for most recent report see p. 39686]. The report severely indicted the Reserve Bank of India (RBI) and criticized the Finance Ministry for failing to supervise the stock exchange and ignoring signs of fraudulent activity. It also recommended suspending the licences of four foreign banks—Bank of America, Citibank, ANZ Grindlays and Standard Chartered Bank—which, in its view, had been "the originators" and "the biggest players" in the scandal [see also p. 39686]. While the report fell short of openly criticizing Finance Minister Manmohan Singh, it held him responsible for his ministry's shortcomings.

Indian state election results

(previous seats held shown in parentheses)

	Himachal	Uttar	Madhya			
	Delhi	Rajasthan	Pradesh	Mizoram		
Total seats	70	68	200	425	320	40
Elections held	70	68	199	422	316	n/a
Results declared	70	68	199	421	316	n/a
Congress (I)	14	52 (8)	77(50)	28(46)	171 (56)	16
BJP	49	8(44)	94(85)	176(211)	116(220)	-
SP/BSP	-	-	-	171	11 (2)	-
Janata Dal (JD)	4	- (11)	6(54)	28 (90)	4 (28)	8*
Mizoram National Front	-	-	-	-	-	16
Independents/others	3	8	22	14	14	-

*Mizo JD.

Addressing parliament on Dec. 30, following a two-day debate, Singh acknowledged "full constitutional responsibility" but insisted that financial sector reform was under way. Singh submitted his resignation on Dec. 24, reportedly in response to the report's veiled criticism of his role, but it was rejected by Prime Minister Narasimha Rao on Dec. 31, under pressure from Cabinet colleagues and business leaders who argued that Singh's departure would threaten India's moves towards a market economy.

Military talks with China

A Chinese military delegation visited India on Dec. 20-21, the first high-level visit of its kind since the 1962 border war. Discussions with Indian army officials in New Delhi focused on the reduction of tension along the Sino-Indian border. A historic agreement in September had called for substantial troop reductions by both sides [see p. 39640].

■ Last article p. 39739; reference article pp. R67-69.

SRI LANKA

Appointment of Bandaranaike as minister

Anura Bandaranaike, who joined the ruling United National Party (UNP) after his resignation from the Sri Lanka Freedom Party (SLFP) in October [see pp. 39687; 39740], was named Minister for Higher Education on Dec. 17, a post hitherto held by President D. B. Wijetunge.

Replacement of army commander

Maj.-Gen. Jerry de Silva was appointed on Dec. 18 to take over as Army C.-in C. from Jan. 1, 1994, replacing Gen. Cecil Waidyaratne, who resigned following the army's worst military defeat by Tamil separatist guerrillas at Pooneryn in November [see pp. 39739-40].

■ Last article pp. 39739-40; reference article pp. R81-82.

BURMA

Opposition readiness to negotiate

A spokesman for the Karen-dominated Democratic Alliance of Burma (DAB), the umbrella organization of some 20 ethnic and pro-democracy factions, announced on Dec. 6 that it was willing to enter into peace talks with the State Law and Order Restoration Council (SLORC), the ruling junta. The spokesman said that the DAB had already appointed a five-member delegation which would travel to Yangon (Rangoon), the capital, if the SLORC responded positively.

The spokesman welcomed a series of recent speeches delivered by Lt.-Gen. Khin Nyunt, the SLORC First Secretary and the effective leader of the junta, in which he had urged rebel forces to return to the legal fold. The DAB had recently suspended Kachin membership after leaders of this ethnic group concluded a separate peace agreement with the military [see p. 39687].

■ Last article p. 39687; reference article pp. R62-63.

CAMBODIA

Peace moves

Increased diplomatic activity in November and December indicated that efforts were under way to try to negotiate a peace agreement between the government and *Khmer Rouge* rebels ahead of the 1994 dry season. However, there were also signs that the opposing armies were preparing for the onset of another season of warfare. In early December the government admitted that rebel forces had retaken a number of positions in central Cambodia which had been captured by the army in August.

First Prime Minister Norodom Ranariddh held a round of talks with the nominal leader of the *Khmers Rouges*, Khieu Samphan, in the Thai capital, Bangkok, on Dec. 17.

The two reportedly agreed to establish an all-party "technical group" to facilitate further discussions. In a telegram to King Norodom Sihanouk on Dec. 20, Khieu Samphan affirmed that his faction wanted a ceasefire, but stated that "what we should avoid doing is declaring a ceasefire without a solution for lasting peace".

In early December Ranariddh had made what appeared to be a major concession when he announced that he was prepared to invite the *Khmers Rouges* to integrate their armed forces into the national army if the faction implemented an immediate ceasefire. Other conditions previously demanded by the government, including the surrender of rebel-controlled territory, could, he said, be negotiated at a later date. Ranariddh made the offer after reportedly rejecting a proposal put forward by the King (his father) in late November which offered "acceptable" *Khmer Rouge* officials a role in government in exchange for a guarantee of peace.

New Defence and Interior Ministers

Six high-ranking military officers, all former personal advisers to Second Prime Minister Hun Sen, were appointed to the Cabinet on Dec. 1 [for appointment of Cabinet in October see p. 39740].

Gen. Peng Pat and Gen. El Vansarat were appointed as Co-Ministers of National Defence and Gen. Long Sophat, Gen. Thong Chan, Gen. Phan Khin and Gen. Khang Nem were appointed as Co-Ministers of the Interior.

Creation of National Development Council

The government created a National Development Council on Dec. 15 to establish priorities for development and to control foreign aid and investment. Ranariddh was appointed chair of the Council and Keat Chhon, a State Minister (Rehabilitation and Development), became vice-chair.

Discovery of Thai arms cache

In early December the Thai police uncovered a massive cache of Chinese-made arms in warehouses situated along the Thai-Cambodian border close to *Khmer Rouge* strongholds.

At first police commanders claimed that the stockpile belonged to the *Khmers Rouges*, but the Thai military subsequently admitted that the arms actually belonged to the Thai army. The discovery

rekindled suspicion among many observers that the Thai army had continued to supply Chinese weapons to the *Khmers Rouges* in contravention of the October 1991 Paris agreement on peace in Cambodia [see p. 38511].

■ Last article p. 39740; reference article pp. R63-65.

VIETNAM

National Assembly session

The ninth National Assembly's fourth session was held on Dec. 6-30 [for previous sessions see pp. 39094; 39143; 39239; 39514] preceded by a plenary meeting of the central committee of the ruling Communist Party of Vietnam (CPV).

In his opening address on Dec. 6 Prime Minister Vo Van Kiet said that the country had "fulfilled and exceeded" all major economic targets for 1993. Gross domestic product had increased at an annual average rate of 7.2 per cent in the three years of 1991-93. However, he warned that the economy still contained "unstable factors that could cause disorder". Kiet affirmed his government's intention to open a stock exchange in Ho Chi Minh City and also announced plans to open an exchange in the capital, Hanoi.

In his speech to the Assembly Interior Minister Bui Thien Ngo admitted that the government's latest anti-corruption campaign had failed to bring about any significant changes.

The Assembly passed three new laws, on environmental protection, bankruptcy of businesses and organization of the legal system.

■ Last article p. 39740; reference article pp. R85-86.

MALAYSIA

Appointment of Anwar as Deputy Prime Minister

Anwar Ibrahim, the Finance Minister, was appointed to the additional post of Deputy Prime Minister on Dec. 1.

Anwar replaced Ghafar Baba, who had resigned from the post in October during the run-up to elections for leading posts within the United Malays National Organization (UMNO, the dominant party in the ruling *Barisan Nasional* coalition); Anwar had easily defeated the incumbent Ghafar in the contest for the party deputy presidency, a post traditionally identified with the deputy premiership [see pp. 39740-41].

End of dispute with Australia

A dispute between Malaysia and Australia arising from comments made in November by Australian Prime Minister Paul Keating about his Malaysian counterpart Mahathir Mohamed [see p. 39741] was brought to an end by the Malaysian Cabinet on Dec. 11. At its meeting the Cabinet decided to accept an expression of regret by Keating, and to resume normal links with Australia.

■ Last article pp. 39740-41; reference article p. R76.

INDONESIA

Election of Sukarno's daughter as PDI chair

Megawati Sukarnoputri, daughter of former President Sukarno, was elected as chair of the Indonesian Democratic Party (PDI) on Dec. 22. This was the first occasion on which a close relative of Sukarno had emerged at the forefront of Indonesian politics since his fall from power in 1967 and the installation of the military "New Order" regime headed by current President Suharto.

The election of Megawati as leader of one of the country's two legal opposition parties followed months of internal wrangling in which the government was involved. According to most reports the government had backed the candidacy of Megawati's chief rival, Budi Harjono.

East Timor talks

The *Far Eastern Economic Review* of Jan. 6, 1994, reported that the "first ever reconciliation talks" between the Indonesian government and East Timorese opponents of Indonesian rule in East Timor took place near London in mid-December.

The two delegations were led respectively by Lopes da Cruz, Indonesia's special ambassador on East Timor, and Abilio Araujo, a leading East Timorese exile.

■ Last article p. 39741; reference article pp. R69-71.

PHILIPPINES

Ceasefire with communist rebels

The government confirmed on Dec. 10 that it had agreed a temporary ceasefire with the communist New People's Army (NPA) over the Christmas period, due to operate from Dec. 15, 1993, until Jan. 15, 1994. The agreement followed exploratory talks between the government and the National Democratic Front (NDF), an organization which served as the political wing of the NPA. Further talks between the two sides were expected to take place during the ceasefire period.

■ Last article p. 39741; reference article pp. R79-80.

AUSTRALIA

Resignation of Treasurer

John Dawkins, the Australian Treasurer, on Dec. 17 stunned political and financial commentators alike by announcing his resignation

from the Cabinet. [For budget crisis of mid-1993 see pp. 39643; 39691.] Prime Minister Paul Keating expressed regret at his departure and suggested that a replacement would be announced in early January 1994. On Dec. 23 Rolf Willis, a fiscal conservative, was appointed Treasurer; Employment and Education and Training Minister Kim Beazley took over his Finance portfolio.

Dawkins, 46, a staunch Keating ally, made his announcement to the House of Representatives at the close of its 1993 legislative session. He had no wish to "grow old" in politics, he said, and he anticipated leaving parliament "at some time between now and the next election".

Approval of Aboriginal land law

Legislation to recognize native title to land was approved by the federal Parliament on Dec. 22. The bill, which Keating had described as "historic", had been agreed by the Cabinet in October [see p. 39691] and introduced into Parliament in November [see p. 39741].

■ Last article p. 39741; reference article pp. R87-88.

NEW ZEALAND

Election of Labour Party leader

Bitter post-election in-fighting within the opposition Labour Party reached a climax on Dec. 1 with a closely contested leadership election, in which Helen Clark, with the support of 26 of the party's 45 legislators, replaced Mike Moore as party leader. A former Minister of Health, Clark became the first woman to lead a major party in New Zealand.

Although Moore had led the party in the November 1993 election and had succeeded in cutting the National Party's legislative majority to just one seat, he had been accused by the party's left wing of being too centrist.

It appeared that the government's precarious majority would be increased when on Dec. 9 it was agreed that a Labour member was to be nominated for the post of parliamentary Speaker. Peter Tapsell, a former Minister (in 1984-90), would become the first Maori and the first representative of an opposition party to hold the post.

■ Last article pp. 39741-42; reference article pp. R92-93.

TUVALU

New Prime Minister

It was reported on Dec. 10 that Tuvalu's 12-member legislature had elected Kamuta Laatasi as the country's new Prime Minister.

New Tuvalu Cabinet

Kamuta Laatasi Prime Minister; Minister of Foreign Affairs; Economic Affairs
Artenieli Toasi Deputy Prime Minister; Minister of Natural Resources; Home Affairs; Rural Development

Poloa Talaki Finance; Trade, Commerce and Public Corporations
Paen Malakaluka Health and Human Resources Development

Hoichi Tealei Labour, Work and Communications

He defeated incumbent Bikenibeu Paeniu by seven votes to five.

Following a general election in September 1993 the parliament had been unable to agree upon a Prime Minister [see p. 39644], having been evenly split between supporters of Paeniu and those of Tomasi Puapua, the man whom Paeniu had ousted from office after the 1989 general election [see p. 36977]. Eventually a second general election (Tuvalu's fifth since independence in 1978) was held in late November, and in the resulting legislature Puapua withdrew his challenge to Paeniu in favour of Laatasi.

■ Last article p. 39644; reference article p. R95.

FIJI

Death of President

The Fijian President, Ratu Sir Penia Ganilau, died on Dec. 16 in Washington, where he was being treated for leukaemia. His deputy, Ratu Sir Kamisese Mara, who had been acting President in his absence, was expected to succeed him.

Ganilau's death further heightened the political uncertainty in Fiji. Parliament had rejected the government's budget in late November, and the Prime Minister, Maj.-Gen. Sitiveni Rabuka, had then announced, on Nov. 29, that there would be a "snap" general election in early 1994.

Ganilau, 75, an indigenous Melanesian chief, had been appointed Governor-General of Fiji in 1983, and played a crucial role in the constitutional developments which followed Rabuka's two military coups of 1987 [see pp. 35251-55; 35567-70]. After the revocation of the 1970 Constitution, and the acceptance by Queen Elizabeth II of his resignation as Governor-General (signifying the end of her position as head of state), Ganilau was installed by the military regime in December 1987 as the first President of the Republic of Fiji, denoting the country's nominal return to civilian rule.

■ Last article p. 39516; reference article pp. R89-90.

EUROPE

RUSSIA

Elections

Russian voters delivered a sharp challenge to radical reform in legislative elections held on Dec. 12. Parties from the extreme right and left performed strongly and looked set to dominate the new legislature, the Federal Assembly. The election result shocked Western governments and alarmed many of Russia's neighbouring states. However, voters did approve President Boris Yeltsin's controversial draft constitution in a simultaneous referendum [see below].

The draft constitution defined the new legislature, the Federal Assembly, as comprising two chambers: (i) the 178-member Federation Council or upper house, to which each of Russia's 89 regions and republics was to elect two deputies; and (ii) the 450-member State Duma or lower house, in which 225 seats were to be filled according to proportional representation on a party list basis, and 225 were to be elected in single member constituencies.

Defeat of pro-reform groups - Uncertainty over final results

The most striking success in the elections was scored by the ultra-nationalist Liberal Democratic Party of Russia (LDPR), led by Vladimir Zhirinovsky, which secured the largest share, 22.8 per cent, of the party preference vote in the State *Duma* elections. This compared with 15.4 per cent for Russia's Choice, the pro-reform bloc backed by several leading government ministers; and 12.4 per cent for the Communist Party of Russia. Women of Russia and the Agrarian Party, both of which were associated with the Communist Party, attracted about 8 per cent each [see table].

There was considerable uncertainty over the political loyalties of many deputies elected to the Federation Council, and to the State *Duma* from single member constituencies.

No firm figures were available by the end of December on the party affiliations of these deputies. A significant number had campaigned on local or regional issues and had been linked only loosely, if at all, with any of the major parties. Furthermore, there were reports that some deputies would defect from parties to which they had shown some allegiance as candidates during the election campaign. Correspondents awaited the inaugural meeting of the Federal Assembly on Jan. 12 for a clearer idea of the political composition of the new legislature.

Despite this uncertainty, however, figures were published by Itar-Tass on Dec. 25, demonstrating that the LDPR had fared much less well in the single-member constituency elections. Taking these Itar-Tass figures together with the party list results, Russia's Choice would overtake the LDPR as the largest single party in the State *Duma*, albeit with fewer seats than the combined total for the communists, agrarians and Women's Choice.

Russian Federal Assembly election results

Party list	Percent- age of vote	Seats in State Duma
Russia's Choice	15.4	40
Liberal Democratic Party of Russia (LDPR)	22.8	59
Communist Party	12.4	32
Agrarian Party	7.9	21
Women of Russia	8.1	21
Yabloko	7.8	20
Party of Russian Unity and Accord	6.8	18
Democratic Party of Russia	5.5	14
Total*		225

*Five other parties, sharing some 13 per cent of the vote, each fell below the 5 per cent threshold required to qualify for party list seats.

Constituency seats

Itar-Tass on Dec. 25 gave the following figures: Russia's Choice 56; LDPR 11; Communist Party 33; Agrarian Party 26; Women of Russia 4; Yabloko 13; Party of Russian Unity and Accord 9; Democratic Party of Russia 7; Civic Union for Stabilization, Justice and Progress 18; Movement for Democratic Reforms 8; Dignity and Mercy 3; Future of Russia 1; Kedr 0; independents 30: total 219. Six seats in the State *Duma* were left vacant after a boycott of the poll in the separatist Russian Republic of Chechnya, and the postponement of voting in the Republic of Tatarstan and the city of Chelyabinsk in the Urals.

Success of ultra-nationalist party

Information from election officials showed that the 22.8 per cent support for the LDPR in the State *Duma* party list elections was relatively evenly spread across Russia, but that it had been particularly strong in pockets of the military; poll results showed that some 46 per cent of voters in the Moscow military district had voted for the LDPR.

Zhirinovsky had been noted since the establishment of the LDPR in 1990 for his frequent calls for a crackdown on crime and for his belligerent views on foreign policy. His call for the creation of a Greater Russia by conquest, to include not only former Soviet states but parts of central Europe, the Middle East and Asia, and his vitriolic attacks on non-Russians, had prompted sharp criticism from rival politicians, some of whom had questioned his mental health.

In the days following the elections Zhirinovsky took a more moderate line, for instance telling the *Financial Times* of Dec. 15 that Russia would not take "one single metre" beyond its present borders. Zhirinovsky also denied that he was anti-Jewish, although he asserted on Dec. 14 that "a wave of anti-semitism in the country" was "being provoked

by people of Jewish nationality" (other reports claimed that Zhirinovsky's father had been Jewish).

Argument over radical reform - Criticism of Gaidar

Yeltsin on Dec. 23 reaffirmed his support for First Deputy Prime Minister Yegor Gaidar, widely credited as the architect of radical economic reform in Russia.

Yeltsin's remarks, his first detailed comment after the elections, included an insistence that "Gaidar stays... and that means the course which he has brought in, with the President and Government, stays".

In contrast, Prime Minister Viktor Chernomyrdin was quoted by the *Guardian* of Dec. 20 as personally criticising Gaidar, blaming the LDPR success on a vote of protest against "the hardships and the mistakes of current reforms", and claiming that "the election defeat [had been] an evaluation of Gaidar in person as the man responsible for the Economics Ministry". Chernomyrdin also blamed Anatoly Chubais, the Deputy Prime Minister responsible for privatisation.

Grigory Yavlinsky, leader of the pragmatic, pro-reform *Yabloko* bloc [see p. 39748], also argued that the government's economic mistakes were to blame for the election result. He accused the government of intolerance towards the opposition and asserted that the "extremism" of Gaidar and other leading radicals had helped create an extremist opposition.

Mikhail Poltoranin, a Yeltsin aide elected on the Russia's Choice ticket, was among several leading reformists to blame the LDPR success on the lack of unity among reformists during the campaign, warning on Dec. 13 that "fascism [was] creeping in through the door opened by our divisions and our ambitions". (At the same time, correspondents noted that the banning of some ultra-nationalist parties from the elections had concentrated the anti-reform vote with the LDPR.)

Prospects for Red-Brown coalition - "Anti-fascist coalition" call

Reformists were unsettled by the prospect of a powerful "red-brown" coalition, encompassing the communists and associated parties (Women of Russia and the Agrarian Party) and the LDPR, which would control a significant proportion of seats in the State *Duma*. Neither Zhirinovsky nor the Communist Party leader, Gennady Zyuganov, would rule out co-operation.

Gaidar called on Dec. 14 for the creation of "the widest possible coalition" of anti-fascists, to include even Communist deputies, designed "to influence changes in the government which must take place in the next few days".

Allegation of Yeltsin strategy for weak parliament

Gennady Burbulis, a leading member of Russia's Choice and former close aide to Yeltsin, claimed in an interview in *Izvestiya* of Dec. 6 that it had been Yeltsin's deliberate strategy to foster divisions within the new legislature, in order to enhance the power of his own presidency. According to this interpretation,

Yeltsin had failed to back any of the pro-reform parties because he feared that the emergence of a strong party would undermine his pre-eminence.

Foreign reaction

Baltic states' demand for security guarantees

The Presidents of Lithuania, Latvia and Estonia held a meeting in the Estonian capital, Tallinn, on Dec. 15, and urged the North Atlantic Treaty Organization (NATO) to move rapidly to guarantee regional security in the wake of the Russian elections. Estonian Prime Minister Mart Laar had remarked on Dec. 13 that "Europe cannot forget the experiences of the 1930s", adding that "we must not repeat the mistakes of the past". Of the 10,000 Russians who had voted in Estonia 48 per cent had favoured the LDPR.

Russian Affairs Minister Andrei Kozyrev said on Dec. 17 that the Baltic states should strive to ease the burden on ethnic Russians living there. His comments followed Zhirinovsky's Dec. 14 call for the use of "economic measures" to force "the collapse" of the Baltic states if they failed to give full voting rights to ethnic Russians.

Concern among Western governments

Western governments reacted to the LDPR election success with concern.

UK Foreign Secretary Douglas Hurd, in comments on Dec. 14, described the LDPR's success as "alarming". US President Bill Clinton attributed it to a "protest vote" after recent years of economic hardship. US Vice-President Al Gore, visiting Russia on Dec. 14-18, was more outspoken, describing Zhirinovsky's views on Dec. 15 as "anathema to our principles of democracy, human rights... economic reform and relations among sovereign states".

Gore said on Dec. 18 that "economic reforms [would] only be successful... [with a] social situation that offered a clear and hopeful perspective", and Jean Foglizzo, head of the Moscow office of the IMF, had conceded on Dec. 17 following earlier comments by Gore that the IMF should "adjust their approach" to take account of the social impact of IMF-backed policies. Gore had argued that Russia had been pressurized by the IMF into implementing budget cuts regardless of the effect on ordinary Russians.

Expulsion of Zhirinovsky from Bulgaria - Exclusion from Germany

On Dec. 28 Bulgaria ordered Zhirinovsky, who had arrived in the country on Dec. 25, to leave within 24 hours, accusing him of having insulted Bulgarian President Zhelyu Zhelev and of endangering Bulgaria's relations with its neighbours.

During his visit Zhirinovsky had reportedly suggested that his aide, Svetoslav Stoilov, should replace Zhelev as President of Bulgaria. He had accused Greece and Turkey of planning to invade other Balkan states, and had described Romania as an "artificial state" peopled by "Italian gypsies".

German officials said on Dec. 29 that Zhirinovsky's application to visit Germany again on that day had been rejected, following his brief visit on

Dec. 23 to Munich where he met Gerhard Frey, leader of the radical-right German People's Union. The German weekly *Welt am Sonntag* of Jan. 2 cited Zhirinovsky as having told a German diplomat that the rejection of his application could lead to the "complete destruction" of Germany in a new world war.

Approval of draft constitution

The Dec. 12 referendum on the draft constitution produced a sufficient turnout, and a sufficient majority in favour, for the constitution to be declared officially in force on Dec. 22. Yeltsin described its adoption as "our common hope for the resurrection of a great and strong Russia".

Election officials had claimed on Dec. 17 that 54.8 per cent of the electorate had "taken part", safely exceeding the 50 per cent required to validate the vote (had the turnout been less than 50 per cent, the referendum would have been annulled). According to official figures published on Dec. 20, the voting was 58.4 per cent in favour of the draft, and 41.6 per cent opposed.

Abolition of ministries

In a decree of Dec. 21 Yeltsin abolished the Security Service Ministry (formerly the State Security Committee or KGB). The decree appointed the Security Service Minister Nikolay Golushko as Director of a new, reorganized Federal Counter-Intelligence Service of the Russian Federation, to be formally constituted in January.

According to Itar-Tass on Dec. 21, Yeltsin had asserted that the existing service was "incapable of being reformed" and that he wanted to prevent a restoration of KGB political surveillance functions. Golushko described the decree on Dec. 27 as "abrupt" and defended the record of the Security Ministry.

A presidential decree of Dec. 22 abolished the Press and Information Ministry, transferring its functions to a newly established Federal and Radio Broadcasting Service under the presidency.

Part of this service's responsibility would be to "assist in the objective reporting of the political, social, economic and cultural life of Russia". Yeltsin said on Dec. 22 that the move would give the media "more independence". However a Yeltsin aide, Yury Baturin, told Itar-Tass on Dec. 27 that the decree would increase state control over the mass media and "to a certain degree [was] threatening the freedom of the press".

In the aftermath of the elections the head of the Ostankino television station, Vyacheslav Bragin, had been dismissed on Dec. 16, after criticism of his decision to permit the LDPR to pay for broadcasts in addition to the free time equally distributed between the competing parties. On Dec. 11, the eve of the elections, state television had apparently sought to counter the rise of the LDPR by broadcasting an unscheduled documentary portraying Zhirinovsky as a fanatical neo-fascist and anti-Semitic, but there were reports that this documentary might have had the opposite effect of boosting support for the LDPR.

Aleksandr Yakovlev, who had been a leading architect of *glasnost* as a former Soviet Communist Party politburo member, was appointed to replace Bragin on Dec. 21.

Immigration controls

A Yeltsin decree of Dec. 17 introduced stringent new immigration controls and restrictions on the employment of foreigners. The move was reportedly aimed at citizens of former Soviet republics, who had been blamed in recent statements by Zhirinovsky for high rates of crime.

Tension in Chechnya

A presidential aide, Vyacheslav Kostikov, disclosed on Dec. 7 that Yeltsin had ordered troops to close the border of the southern Russian republic of Chechnya, which had declared its independence from Russia proper in 1991 [see p. 38582], and to secure the strategically important rail link crossing the republic. According to the *Guardian* of Dec. 9, Chechen leader Dzhakar Dudayev responded by asserting that this amounted to a declaration of war. The Chechen authorities boycotted the referendum and elections.

■ Last article p. 39747; reference article p. R121-22.

AZERBAIJAN

Introduction of military censorship

On Dec. 6 the Azerbaijani *Milli Majlis* (legislature) approved a law banning the publication of military secrets and of reports deemed to insult prominent state officials.

The law would allow the suspension of offending publications for one month and the prosecution of journalists responsible.

Dismissal of ministers

Azerbaijani Radio on Dec. 9 reported that President Geydar Aliyev had issued a decree dismissing Vakhid Akhmedov, who was described as First Deputy Prime Minister, and Salam Mahomedov, described as Finance Minister, for "deficiencies in their work". Both had held government office under ousted former President Abulfaz Elchibey [see p. R100] and had apparently been among those retained in Col. Surat Guseinov's Cabinet after the June coup [see p. 39522].

Nagorny Karabakh

Talks following rejection of CSCE proposals - Report of Aliyev plea for Turkish military aid

Negotiations between representatives of Armenia, Nagorny Karabakh and Azerbaijan over the disputed enclave of Nagorny Karabakh reopened in Finland on Dec. 21.

Azerbaijan had on Nov. 30 rejected a peace plan proposed by the Conference on Security and Cooperation in Europe (CSCE). Foreign Affairs Minister Gasan Gasanov had described this plan on Dec. 1 as "pro-Armenian", and claimed that the CSCE had dropped demands for an unconditional withdrawal of Armenian forces from Azerbaijan.

Heavy fighting reportedly continued in southwestern Azerbaijan in December.

The Turkish daily newspaper *Sabah* of Dec. 7 reported that Aliyev had contacted Turkish President Suleyman Demirel, saying that "we

want to retake the territory we have lost" and asking Turkey "to send volunteers, arms and ammunition to Azerbaijan". There was no report of any Turkish response.

■ Last article p. 39749; reference article p. R100.

GEORGIA

Reports of death of Gamsakhurdia

Conflicting reports emerged in early January that the deposed former President of Georgia, Zviad Gamsakhurdia, had died on Dec. 31.

The Russian Interfax news agency on Jan. 5 reported Gamsakhurdia's wife Manana Gamsakhurdia as saying that he had committed suicide in western Georgia to evade capture by troops of the pro-government *Mkhedrioni* paramilitary group. However, the *Mkhedrioni* claimed that he had died in the southern Russian republic of Chechnya on Jan. 5, having been shot during a clash between unspecified forces on Dec. 31. A Georgian Security Ministry spokesman, David Mumladze, could not confirm Gamsakhurdia's death, but noted recent allegations of a rift between Gamsakhurdia and his former ally Loti Kobalia.

Georgian-Abkhaz agreement

Two days of UN-sponsored negotiations between Georgia and the breakaway autonomous republic of Abkhazia, represented respectively by Dzhaba Iosseliani (leader of the *Mkhedrioni*) and by Abkhaz Prime Minister Sokrat Jinjolia, ended in Geneva on Dec. 1 with the signing of a "memorandum of understanding". Russian Deputy Foreign Minister Boris Pastukhov, who was present at the negotiations, described the agreement as "a first and very important step towards the settlement of the Abkhazian conflict".

Among the points agreed were (i) a ceasefire pending further negotiation; (ii) the deployment of additional international observers; (iii) the drafting of proposals on Abkhazia's future status by a commission of experts nominated by the UN and the Conference on Security and Co-operation in Europe (CSCE); (iv) the return of refugees, of whom there were some 200,000; and (v) the exchange of all prisoners.

Hopes for a peace agreement were raised by reports that the Georgian authorities were prepared to concede extensive autonomy for Abkhazia, and that Jinjolia for his part would not insist on actual secession from Georgia. However, Georgian Television reported on Dec. 16 that fighting had been continuing in Abkhazia.

Ministerial feud

A feud between Defence Minister Brig.-Gen. Giorgi Kharkharashvili and Security Service Minister Igor Georgadze appeared to escalate rapidly after a bomb attack on the Security Ministry on Dec. 25.

Kharkharashvili and Georgadze, who each commanded the loyalty of their own paramilitary group, had reportedly been involved in a brawl at the airport at Tbilisi, the capital, on Dec. 24. Reports that troops loyal to the rival ministers were massing at separate military camps in or near Tbilisi were denied by both ministries, according to Russian Ostankino television on Dec. 30.

Resignation of Minister - Food shortage

Economy Minister Mikhail Jibuti resigned on Dec. 8, declaring his fundamental opposition to the government's economic policies and style of management. Jibuti's resignation coincided with the introduction of bread rationing in several Georgian towns including Tbilisi, and with continuing severe energy shortages, which led to the partial closure of schools.

■ Last article p. 39749-50; reference article p. R108-09.

MOLDOVA

Dnestr court verdict on militants

The Supreme Court of the self-declared Dnestr republic convicted six people on Dec. 9 of murder and diversion (conspiracy against the state), committed during the armed clashes in Moldova of summer 1992. One, Ilie Iliescu, was sentenced to death, and the others received lengthy terms of imprisonment. Moldovan President Mircea Snegur, whose administration refused to recognize the jurisdiction of the court, condemned the sentences on Dec. 9. The Council of Europe urged the Dnestr authorities on Dec. 10 to annul the verdict of the court.

IMF credit

The IMF on Dec. 17 approved credits totalling SDR 74,250,000 (about US\$103,000,000) to support the government's 1993/94 economic and financial programme. Of this total SDR 51,750,000 could be drawn under a standby credit over the next 15 months, and SDR 22,500,000 was available as a second drawing under the systemic transformation facility (SDF).

■ Last articles pp. 39695; 39756; reference article p. R117.

BOSNIA-HERCEGOVINA

Muslim rejection of Croatian-Serbian partition proposals

On Dec. 21, Alija Izetbegovic, President of Bosnia-Hercegovina, rejected a deal under which one-third of Bosnia-Hercegovina's territory would have been allocated to a Muslim-dominated republic as part of a partition into a "Union of Three Republics". The proposal, drafted by Croatian President Franjo Tudjman and Serbian President Slobodan Milosevic in talks in Geneva on Dec. 20-21, had envisaged a Croat Republic occupying some 17.5 per cent of Bosnia-Hercegovina, with the Serbs taking the remaining 49 per cent.

The Serb offer of more territory had come despite Bosnian Serb military leader Gen. Ratko Mladic's veto of land concessions (reported by the *Financial Times* of Dec. 10).

Pressure on Bosnian Serbs and Croats to concede more land for a Muslim-dominated republic (to which they had been prepared to offer only some 31 per cent in negotiations hitherto) had been a central feature of the peace strategy of the European Union (EU,

formerly the EC), as announced after the meeting of EU foreign ministers in Luxembourg on Nov. 22 [see p. 39743].

However, there were reports that Lord Owen, the EU mediator and co-chair of the International Conference on the former Yugoslavia, had concentrated in the Geneva peace talks of Nov. 29-Dec. 2 on Serb demands regarding Sarajevo [see below]. (During this phase of negotiations the Bosnian Serbs had refused to concede more territory.) As a result Lord Owen was reportedly criticized by Belgium, Germany and the Netherlands at the meeting of EU foreign ministers in Brussels on Dec. 12.

Further talks in Brussels on Dec. 22-23 failed to satisfy Izetbegovic, the main obstacles to acceptance being, reportedly, the fact that the majority Muslim republic would have been divided (with territory in central Bosnia and several enclaves in the east) and the unresolved questions of the status of Sarajevo, capital of Bosnia-Hercegovina, and of Neum, Bosnia-Hercegovina's Adriatic seaport [see below]. The majority Muslim Bosnian government's apparently growing military confidence [see below] was a possible additional disincentive to compromise.

Radovan Karadzic, leader of the Bosnian Serbs, threatened on Dec. 23 that unless Izetbegovic accepted the deal by Jan. 15, a sovereign Serb state, occupying some 70 per cent of Bosnian land, would be proclaimed. His comments contrasted with earlier optimistic remarks at the conclusion of talks in Geneva on Dec. 2 [see below].

Sarajevo and Neum

Karadzic had reportedly claimed on Dec. 2 that substantial progress had been made at Geneva, particularly on the key question of the Bosnian capital Sarajevo. However, Bosnia's ambassador to the UN, Mohammed Sacirbey, described Karadzic's proposal for the partition of Sarajevo between future Muslim and Serb republics as "repugnant", and denied any provisional deal on the proposal.

As regards the question of Bosnian access to the Adriatic Sea, Tudjman had insisted on Dec. 7 that the Bosnian port of Neum, which had a majority Croat population and was under Croat control, had to remain under Croat sovereignty, although he stressed that he was willing to discuss exchanges of other territory. The *Financial Times* of Dec. 22 reported that a Croatian offer of land on the Prevlaka peninsula, more than 100 km from the proposed Muslim republic, was rejected on Dec. 22.

Mate Boban, the Bosnian Croat leader, did however agree on Dec. 23 to a plan for the temporary EU administration of the divided city of Mostar, the scene in recent months of fierce fighting between Croats and Bosnian government forces.

French warning on troop withdrawal - US backing for UNPROFOR presence

Echoing UK Foreign Secretary Douglas Hurd's Nov. 19 warning that continued fighting in Bosnia could lead to the withdrawal of peacekeeping troops, the French Defence Minister François Léotard said on Dec. 19 that without "the conditions for a political solution", a decision on the continued UN pres-

ence in the former Yugoslavia would have to be taken by "next spring".

Léotard's remarks contrasted with those of US Secretary of State Warren Christopher, who asserted on Dec. 1 that "the USA will continue with humanitarian aid" and disavowed suggestions "that humanitarian aid should be used as a lever . . . on the Bosnian government".

"Arms for Bosnia" call by UN General Assembly - Fuel embargo on Serbs

A resolution of the UN General Assembly, passed overwhelmingly on Dec. 20, urged the UN Security Council to consider lifting the arms embargo on the Bosnian government. The Assembly further requested the Security Council to act to prevent the Federal Republic of Yugoslavia from supplying Bosnian Serb forces with arms.

The International Committee of the Red Cross (ICRC) said on Dec. 7 that 90 per cent of its emergency aid was being obstructed by the warring parties.

In an attempt to persuade Bosnian Muslim forces to permit the delivery of aid to Muslim-controlled areas, on Dec. 10 the UN Protection Force in Yugoslavia (UNPROFOR) announced the suspension of deliveries of essential fuel to the Bosnian Serbs.

Fighting despite truce announcement - Izetbegovic's claim of increasing military strength - Sarajevo evacuation

Following the announcement on Dec. 17 of a Christmas ceasefire plan agreed between Muslim and Croat forces, to last from Dec. 23 to Jan. 3, Mladić said that Serb forces would also cease offensive operations. However there were reports that fighting had actually intensified on Dec. 23.

The *International Herald Tribune* of Dec. 30 quoted "Western military sources" as putting the number of resulting fatalities "in the hundreds, notably on the Serbian side". The reports of intensified fighting followed Izetbegovic's claim of Dec. 14 that "the enemy" was growing "weaker by the day while we . . . are growing stronger every day", and appeared to underscore Lord Owen's assertion of Nov. 25 [see p. 39743] that the Bosnian government would continue to seek a military rather than diplomatic solution to the conflict.

Some 800 civilians were evacuated from Sarajevo on Dec. 28, in an operation delayed for several weeks. Fighting around Sarajevo in December had delayed the departure of the evacuation convoy and had reportedly claimed "dozens" of lives.

Chemical weapons allegations

Sarajevo Radio reported on Dec. 6 that Bosnian Prime Minister Haris Silajdzic had written to the current president of the UN Security Council, Li Zhaoxing, accusing the Bosnian Serbs of using chemical weapons and demanding that the UN enforce resolutions carried on Bosnia.

The radio station alleged that the Bosnian Serbs had used chemical weapons during fierce fighting around the north-eastern village of Teocak.

Mladić, in contrast, had demanded on Dec. 1 that UNPROFOR intervene to prevent the alleged production of chemical weapons at Tuzla, a town held by the Bosnian government.

Alleged Serb assistance to rebel Muslims in Bihać

UNPROFOR alleged on Dec. 6 that rebel Muslims in the Bihać enclave in north-western Bosnia-Herzegovina [see pp. 39517; 39696] had been given military support by local Serbs, who had allowed them to mount attacks from Serb-held territory and had bombarded Bosnian government troops in the enclave. The leader of the Bihać rebel enclave, ex-Bosnian Presidency member Fikret Abdić, strenuously denied these allegations in comments on Dec. 6.

■ Last article pp. 39743-44; reference article pp. R101-02.

YUGOSLAVIA

Serbian election results

In early elections to the Serbian legislature, the ruling Socialist Party of Serbia (SPS) secured 123 seats in the 250-seat parliament, 22 more than it won in the elections of Dec. 20, 1992 [see p. 39240].

The elections, called in October [see p. 39697], were held on Dec. 19, but final results had been delayed after irregularities forced the authorities to re-ballot at some polling stations in several marginal constituencies on Dec. 26.

The Socialists' position had been strengthened by the failure of the opposition Depos bloc to agree with the leaders of the Democratic Party (DS) and the Democratic Party of Serbia (DSS) on a unified electoral list in talks which broke up on Dec. 1. Depos nevertheless lost only three seats, securing second place with 45 seats.

The elections were notable for a decisive shift to the nationalist right wing by a number of opposition parties, including Vuk Drasković's Party of Serbian Renewal (SPO, part of the Depos bloc).

Drasković, in a Dec. 14 address to a Belgrade rally, called for the creation of a Greater Serbia, to encompass the Serb-occupied Krajina region of Croatia and most of Bosnia-Herzegovina, including the cities of Mostar and Sarajevo, in which Bosnian Muslims could have "their own canton, but not their own state". He asserted that if he secured power, he would discard any peace agreement agreed by Milošević which fell short of these aims. Such comments contrasted with his previous campaign for peace in Bosnia-Herzegovina.

Serbian Election results

Party	Seats
Socialist Party of Serbia (SPS)	123
Depos	45
Serbian Radical Party (SRS)	39
Democratic Party (DS)	29
Democratic Party of Serbia (DSS)	7
Democratic Community of Vojvodina Hungarians (DZVM)	5
Party for Democratic Action/ Democratic Party of Albanians	2
Total	250

This shift to the right, combined with a better than expected showing for the neo-fascist Serbian Radical Party (SRS), appeared to have squeezed out the recently formed ultra-nationalist Serbian Unity Party (SSJ) of Zeljko Raznatović (also known as Arkan), which failed to win any seats. The SRS, several of whose senior figures had been the subject of accusations of war crimes [see p. 39745], formed the third-largest party in parliament with a reduced total of 39 seats.

The turnout for Serbia as a whole was 62.3 per cent, according to official figures published on Dec. 22. Some opposition parties had boycotted the elections, notably ethnic Albanian parties from Kosovo province and Sandžak region, where ethnic Albanians formed a majority. Less than one-tenth of the 1,000,000-strong Kosovar electorate was reported to have voted.

Hyperinflation

The Socialist victory came despite rapidly accelerating hyperinflation. Official figures announced on Dec. 1 put the annualized inflation rate in November at over 286,000 million per cent, and the *Financial Times* of Jan. 1 reported that the inflation rate for the month of December alone had surpassed 1,000,000 per cent. The Yugoslav National Bank responded on Dec. 29 with a re-denomination of the dinar, which was henceforth to be equivalent to one thousand millionth of its face value.

Hungarian support for groups in Vojvodina

Andras Agoston, leader of the Democratic Community of Vojvodina Hungarians (DZVM), said on Dec. 27 that Hungarian cultural organizations based in the Serbian province of Vojvodina had been financed from Hungary. He claimed that these organizations would lead a campaign for the autonomy of Vojvodina, a substantial minority of whose population was ethnic Hungarian.

■ Last article p. 39745; reference article pp. R128-30.

MACEDONIA/GREECE

Recognition of Macedonia by EU states

On Dec. 16 six member states of the European Union (EU, formerly the European Communities) recognized Macedonia under the name "Former Yugoslav Republic of Macedonia".

This move, by Denmark, France, Germany, Italy, the Netherlands and the UK [it was wrongly stated on p. 39698 that Belgium was the penultimate of the EU member states to recognize Macedonia], was made in advance of Greece's assumption of the EU's rotating presidency on Jan. 1; it was described by Greek spokesman Evangelos Venizelos on Dec. 16 as "a bad blow to European solidarity".

Greek Prime Minister Andreas Papandreou had suggested on Dec. 4 that diplomatic recognition might prompt Greece to close its border with the republic. Greek Alternate Foreign Affairs Minister (responsible for European affairs), Theodore Pangalos, had however conceded on Dec. 4 that Greece had lost the diplomatic battle to prevent Mace-

donia's official use of that name, saying: "The name issue has been lost. . . . There is no need to discuss it any further."

Greek-German encounter over recognition of former Yugoslav republics

In comments made on Nov. 29, Pangalos had described Germany as "a giant with bestial force and a child's brain", and criticized German pressure for early EU recognition of former Yugoslav republics, which he claimed had destabilized Bosnia-Hercegovina. German Chancellor Helmut Kohl retorted on Dec. 2 that Pangalos's remarks were "foolish and impolite" and, following a meeting between Pangalos and the German Foreign Minister, Klaus Kinkel, on Dec. 10, the German Foreign Ministry declared that "Pangalos [had] expressed his regret for the comments in his speech and [had] stressed his interest in close co-operation with Germany".

■ Last article p. 39698.

SLOVAKIA

Meciar's refusal to resign

Slovak Prime Minister Vladimir Meciar said on Dec. 3 that he had rejected a request from President Michal Kovac that he should tender his resignation and form a new government. Kovac's request reportedly came after the publication on Dec. 3 in the daily newspaper *Slovensky vychod* of Meciar's controversial Nov. 28 speech to activists of his party, the Movement for a Democratic Slovakia (MDS), in the town of Zlata Idka. It was allegedly strongly critical of other leading political figures and of international institutions, including the IMF. An MDS statement on Dec. 9 claimed that Meciar's words had been taken out of context.

■ Last article p. 39746; Czechoslovakia reference article pp. R104-05.

HUNGARY

Death of Antall - New Prime Minister

Jozsef Antall, Prime Minister since May 1990 in the coalition government formed after Hungary's first (and so far only) post-communist multiparty elections [see p. 37465], died on Dec. 12. [For his treatment for lymph gland cancer see pp. 39698; 39746.]

Antall, 61, a former museum director and historian, had been leader of the Hungarian Democratic Forum (MDF) since October 1989 [see p. 36961]. He was credited with creating a centre-right party out of this broad conservative-nationalist grouping, espousing a managed transition to a "social market" economy rather than "shock therapy", and contributing to relative stability in Hungarian politics. Among those attending his funeral on Dec. 18 were US Vice-President Al Gore, Russian First Deputy Premier Yegor Gaidar, and heads of state and government from neighbouring countries with the notable exception of Romania.

Peter Boross, hitherto Interior Minister and acting Prime Minister during Antall's absences, was elected by the *Orszaggyüles* (par-

liament) as Prime Minister on Dec. 21. Imre Konya,⁴⁶ became Interior Minister in an otherwise unchanged Cabinet. Konya was succeeded by Ferenc Kulin as parliamentary leader of the MDF.

Boross, 65, whose election and government programme was approved by 201 to 152 with five abstentions, pledged to continue Antall's economic policies. A former catering company manager with no record in opposition politics in the 1980s, Boross had not stood for parliament in the 1990 elections, and had been brought into Antall's government as a non-party technocrat. He had subsequently joined the MDF, of which he was now a deputy chairman.

Party developments

The MDF deputies and national board, meeting on Dec. 13, designated Boross as Prime Minister in preference to Finance Minister Ivan Szabo and Defence Minister Lajos Fur. Boross stated, however, that he would not seek the MDF chairmanship (held on an acting basis since Antall's death by Sandor Lezsak, pending a national delegate conference on Feb. 18-20). With elections due by May 1994, the MDF currently trailed in opinion polls behind the Hungarian Socialist Party (MSP) and the liberal Federation of Young Democrats (FIDESz) and Alliance of Free Democrats (SzDSz). These three opposition parties all opposed Boross in the Dec. 21 vote, as did eight deputies of the breakaway right-wing Hungarian Justice and Life Party (MIEP—see p. 39746), whereas two MIEP deputies and 10 independents voted with the MDF-led coalition.

Minister of Agriculture Janos Szabo was elected on Dec. 19 as chair of the United Historical Smallholders' Party (the Independent Smallholders' Party—Historical Section, FKGP-TT).

■ Last article p. 39746; reference article pp. 111-12.

ESTONIA

Resignation of minister

Interior Minister Lagle Parek resigned on Nov. 28 and was replaced by Heike Arike on Dec. 14. According to the *Baltic Independent* of Dec. 3-9, her resignation was precipitated by an incident in the capital, Tallinn, on Nov. 26, when former military commander Assos Kommer [see p. 39610] was arrested and two police officers were shot and wounded, amid allegations of worsening friction between police and the military, and claims that each had been linked to rival groups of organized criminals.

■ Last article p. 39750; reference article p. R106.

LATVIA

IMF standby arrangement

The IMF on Dec. 15 approved credits totalling SDR 45,750,000 (about US\$63,000,000), of which SDR 22,875,000 could be drawn under a 15-month standby arrangement and the remaining SDR 22,875,000 was made available

under the systematic transformation facility (STF). The credits were in support of the government's 1993/94 economic programme, which included keeping the underlying average monthly rate of inflation at about 0.5 per cent. [The IMF credits outlined on p. 39700 were to Estonia, not, as wrongly given, to Latvia.]

Radio Latvia reported on Dec. 19 that the IMF had granted a further credit to Latvia, making available some \$25,000,000, largely for the use of private farmers.

■ Last article p. 39700; reference article p. R114.

EUROPEAN UNION

Brussels summit

At the third meeting in 1993 of the European Council, held in Brussels on Dec. 10-11, the heads of state and government of the member countries of the European Union (EU) discussed measures to combat recession and unemployment as proposed in the "Delors plan", the Commission's White Paper on "Growth, competitiveness, employment: the challenges and ways forward into the 21st century".

The meeting broadly endorsed proposals which advocated spending nearly ECU 124,000 million over six years on public works programmes with a view to creating 15,000,000 new jobs by the 2000. However, participants did not agree on the need for new funding, and in particular did not approve the White Paper's proposal that the Commission (rather than the European Investment Bank) should raise ECU 8,000 million in "Union bonds" annually on international capital markets.

As regards progress towards economic and monetary union (EMU) the *Financial Times* of Dec. 11 reported that EU leaders "agreed the principle of legally binding macro-economic guidelines, including a general call for lower interest rates, wage restraint, lower budget deficits and government debt" but that "French objections to the details delayed formal adoption of the proposals".

On enlargement and external issues, EU leaders agreed the representation in EU institutions after the planned enlargement to include Austria, Finland, Norway and Sweden. However, they failed to agree on the number of votes required for a "blocking minority" to prevent a decision being taken in the Council of Ministers. They agreed to hold an inaugural conference in April 1994 in Paris of the Balladur initiative for a "stability pact" with central and east European countries, although the Balkan and Caucasian countries were not to be included [see also pp. 39525; 39701].

The evening before the summit EU leaders had dinner with Russian President Boris Yeltsin.

Extracts from the Conclusions of the Presidency are given below.

Growth, competitiveness and employment. The fight against unemployment—the ["Delors"] action plan. . . . We must act and our response will be all the more effective for being a joint one. . . . The European Council decided on this basis to implement an action plan. . . . consist[ing] of: a general framework for the policies to be pursued at member state level to promote employment; specific accompanying measures to be conducted at Commu-

nity level; a monitoring procedure. The primary purpose of the action plan is to reinforce the competitiveness of the European economy. The economy must respond to new requirements. It must also adapt to a world undergoing unprecedented change in production systems, organization of work and modes of consumption. . . .

Co-operation in the field of justice and home affairs. "The European Council. . . recorded its agreement on the plan of action drawn up by the Council [covering]. . . the immediate start-up of the Europol Drugs Unit and the completion of the Europol Convention before October 1994; . . . the application of a comprehensive anti-drugs strategy; . . . the establishment of a common list of non-member countries whose nationals require visas; . . . the stepping-up of judicial co-operation, particularly on extradition and action against international organized crime; . . . better co-ordination [linking]. . . justice and home affairs and the common foreign and security policy, particularly as regards re-admission of illegal immigrants by non-member countries. . . .

Common foreign and security policy (CFSP). "The draft *Pact on Stability in Europe* is intended to promote preventive diplomacy and therefore is not concerned with countries in conflict. Initially, it will be directed at those countries of central and eastern Europe which have the prospect of becoming members of the European Union and with which the Union has concluded or negotiated agreements. The aim of the [Balladur] initiative is to contribute to stability by averting tension and potential conflicts in Europe, fostering neighbourly relations and encouraging countries to consolidate their borders and to resolve problems of national minorities. . . . The European Union will convene an inaugural conference in Paris in April 1994. . . .

Implementation of the union treaty. "Economic and Monetary Union. . . All the conditions are fulfilled to allow the second stage of EMU to start effectively on the agreed date, i.e. Jan. 1, 1994."

[There followed a section on *subsidiarity* concerning which the Commission was to present a report in December 1994.]

(The European Council also adopted declarations on the former Yugoslavia; on the Middle-East peace process and the EU's framework for joint action; on the conclusion of a new agreement with Israel; and on the General Agreement on Tariffs and Trade (GATT) negotiations—see p. 39794.)

■ Last article pp. 39750-51; reference article pp. R130-32.

GERMANY

Brandenburg communal elections

In communal elections in the *Land* (state) of Brandenburg on Dec. 5 the Christian Democratic Union (CDU) was overtaken by both the Social Democrats (SPD) and the (former communist) Party of Democratic Socialism (PDS). [For last communal elections, in May 1990—prior to German unification—see p. 37467.]

The SPD polled 34.5 per cent of the vote (28.1 per cent in 1990), the PDS 21.2 (16.5), the CDU 20.5 (31.8), the Free Democrats (FDP) 7.1 (6.0), and the Greens/Alliance '90 alliance 4.2 (3.8). Independent electoral lists won the bulk of the remaining votes. The turnout was a comparatively low 59.2 per cent, and in 351 communes no election was held because there were no candidates.

The CDU's poor performance was in part attributed to controversy over the easterner Steffen Heitmann who withdrew as the CDU presidential candidate at the end of November, and to the resignation of the CDU government in Saxony-Anhalt (eastern Germany) shortly afterwards over the alleged overpayment of four ministers [see p. 39753].

In run-off elections held on Dec. 19 in 85 towns and communes, the PDS failed to oust the ruling SPD in Brandenburg and Potsdam, or to oust the CDU in Cottbus.

Formation of Hamburg government

Henning Voscherau, the outgoing SPD mayor of Hamburg whose party had lost its absolute majority in elections in September [see p. 39652], announced on Dec. 8 a "co-operation" agreement (rather than a formal coalition) with the *Statt-Partei* ("Instead of a Party"). The two parties would control 66 of the 121 parliamentary seats.

Economic legislation

On Dec. 17 the SPD-controlled *Bundesrat* (upper house of the federal parliament)

approved the 1994 budget passed by the lower house in November [see p. 39753]; it accepted social welfare cuts originally presented in August [see p. 39612], but rejected legislation on the funding of care for the elderly. On the same day it approved legislation allowing for the eventual privatization of the German railway system.

From January 1994 the *Bundesbahn* and *Reichsbahn*, which had continued after unification to operate separately in western and eastern Germany respectively, would be merged into the *Deutsche Bahn AG*. The state would initially hold the shares in this company, with any privatization of its component parts coming not before 2002. Central funding of infrastructure investment would continue and the state would take over the existing debts of around DM 70,000 million (about US\$43,500 million).

Conviction of former Stasi head

On Dec. 6 Markus Wolf, 70, the former head of the East German secret police (Stasi), was sentenced by a Düsseldorf court to six years' imprisonment on several counts of treason and bribery [for opening of trial in May see p. 39479]. The Federal Constitutional Court was due to rule in 1994 on whether former East German spies could be tried in this way.

Sentence in racist arson trial

On Dec. 8 a Schleswig court passed maximum sentences of life imprisonment on Michael Peters (26) and 10 years' imprisonment on Lars Christiansen (20, still legally a juvenile) for the murder of three Turks in an arson attack in Mölln in November 1992 [see p. 39208].

■ Last article p. 39753; reference article pp. R109-10.

BELGIUM

Austerity measures

Trade unions mounted a series of one-day strikes from Nov. 15, culminating in a general strike on Dec. 10, in protest over austerity measures, but agreed on Dec. 16 to suspend such action, having won some concessions and the promise of further talks on measures to protect employment.

A general strike on Nov. 26 was the first since 1936. The austerity measures, under discussion since October [see p. 39702], had been approved formally on Nov. 17 by the government, which then won a parliamentary vote of confidence three days later. Social spending cuts of BF 75,000 million and a ban until the end of 1996 on wage increases in excess of inflation, were combined with tax increases designed to provide BF 60,000 million in extra revenue (as at Nov. 15, 1993, US\$1.00-BF 36.0859). There were new measures to tackle unemployment, which stood at 14.1 per cent.

■ Last article p. 39702; reference article pp. R100-01.

UNITED KINGDOM

Thatcher evidence to Scott inquiry

The hearings of the inquiry by Lord Justice Scott into UK arms exports to Iraq (notably by Matrix Churchill) in the period leading up

Proposed member states' representation in EU Institutions					
	Commission	European Parliament	Ecosoc	Committee of Regions	Weighted votes in Council
<i>Existing members</i>					
Belgium	1	25	12	12	5
Denmark	1	16	9	9	3
France	2	87	24	24	10
Germany	2	99	24	24	10
Greece	1	25	12	12	5
Ireland	1	15	9	9	3
Italy	2	87	24	24	10
Luxembourg	1	6	6	6	2
Netherlands	1	31	12	12	5
Portugal	1	25	12	12	5
Spain	2	64	21	21	8
UK	2	87	24	24	10
<i>Applicant states</i>					
Austria	1	20	11	11	4
Finland	1	16	9	9	3
Norway	1	15	9	9	3
Sweden	1	21	11	11	4
Total	21	639	229	229	87

In addition, each member state would propose one judge for appointment to the European Court of Justice, and one member for appointment to the Court of Auditors. Finnish, Norwegian and Swedish would become Community languages.

to that country's invasion of Kuwait in August 1990 [see pp. 39207; 39479] were enlivened in early December by the calling as a witness of Baroness Thatcher, Prime Minister until November 1990.

Under close questioning on Dec. 8 by the inquiry's counsel, Presily Baxendale, Thatcher denied that she had misled parliament over her government's approach to the granting of licences for the export to Iraq of defence-related equipment or of dual-use goods.

A ban had been imposed by the UK government in 1984 on British defence exports to both Iraq and Iran, which since 1980 had been engaged in the Gulf War conflict, but parliament had not been so informed until October 1985 [see also p. 34515]. Following the Iran-Iraq ceasefire in August 1988, there was an apparent change of UK policy in December of that year so as to allow the resumption of arms exports to Iraq; however, Thatcher maintained that she had not at the time been formally told of this "change of circumstances". [For prohibition of the sale of Hawk jet trainers to Iraq in July 1989, see p. 37425.]

Explaining that as Prime Minister she had not seen all the documents being referred to, she stressed that she had been concerned with policy, and not with administration which was the direct responsibility of officials and of departmental ministers.

Alan Clark, the former minister whose evidence at the trial of three Matrix Churchill executives had led directly to their acquittal in November 1992 [see p. 39207], told the inquiry on Dec. 13 that in his view parliament should have been informed of the 1988 policy change at the time.

■ Last article pp. 39753-54; reference article pp. R127-28.

NORTHERN IRELAND

Anglo-Irish Downing Street Declaration

The UK and Irish Prime Ministers, John Major and Albert Reynolds, signed in London on Dec. 15 a 12-point "Downing Street Declaration" setting out general principles for holding peace talks on Northern Ireland.

In large measure a restatement of existing positions, the declaration (reportedly the last of over 20 drafts, completed in telephone discussions the previous day) was described by Major as embodying "our common view that it is now possible to end violence for good", while Reynolds spoke of "an historic opportunity for peace". They had not managed to finalize an agreement at earlier meetings on Dec. 3 in Dublin and Dec. 10 in Brussels.

The declaration restated, in point 2, that "the ending of divisions can only come about through the agreement of the people, north and south, representing both traditions in Ireland". It reaffirmed the guarantees "which each government has given", explicitly including "Northern Ireland's statutory constitutional guarantee".

The UK government reaffirmed in point 4 that it would "uphold the democratic wish of a greater number of the people of Northern Ireland on the issue of whether they prefer to support the union or a sovereign united Ireland"; reiterated that the UK had "no selfish strategic or economic interest in Northern Ireland"; and agreed "that it is for the people of the island of Ireland alone, by agreement between the two parts respectively, to exercise their right of self-determination on the basis of consent,

freely and concurrently given, north and south, to bring about a united Ireland, if that is their wish". Conversely the Irish government accepted, in point 5, "that the democratic right of self-determination by the people of Ireland as a whole must be achieved and exercised with and subject to the agreement and consent of a majority of the people of Northern Ireland"; it would, "in the event of an overall settlement . . . put forward and support proposals for change in the Irish Constitution which will fully reflect the principle of consent in Northern Ireland" (i.e. rather than maintaining its constitutional claim to the province). The Irish Prime Minister recognized the need "to engage in dialogue which would address with honesty and integrity the fears of all traditions", and intended to set up a Forum for Peace and Reconciliation to make recommendations on ways of promoting agreement and trust (a proposal on which Reynolds gave some further detail when addressing the Irish parliament, the *Dail*, on Dec. 17).

Both governments would seek to create, "along with the Northern Ireland constitutional parties through a process of political dialogue", institutions for the people of Ireland to work together. The achievement of peace "must involve a permanent end to the use of, or support for, paramilitary violence". Clearly referring to *Sinn Féin* (the political wing of the Irish Republican Army—IRA) in particular, point 10 stated that parties "which establish a commitment to exclusively peaceful methods and which have shown that they abide by the democratic process" could "join in dialogue in due course".

Reactions

The document was welcomed in the UK House of Commons on Dec. 15 by both the opposition Labour Party leadership and the Liberal Democrats, and described by the Northern Ireland Social Democratic and Labour Party (SDLP) leader John Hume as "the first step on a road which will remove the bullet and the bomb forever from our small island". (Hume said that he intended to resume talks with *Sinn Féin* leader Gerry Adams—see p. 39654 for earlier Hume-Adams initiative—and did so on Dec. 19, finding Adams to be "very serious" about peace.)

Ulster Unionist leader James Molyneaux on Dec. 15 advanced reservations and criticisms of the "tortuous document" in what he described as "a constructive fashion", whereas the Democratic Unionist Party leader, the Rev. Ian Paisley described it as a "sell-out act of treachery" to offer the IRA the prospect of participation in the dialogue once it had ceased violence for three months.

Adams said on Dec. 16 that *Sinn Féin* was "considering" the declaration. In statements on Dec. 20 and 21 he said that *Sinn Féin* wanted to make the declaration "the beginning of the end", but he highlighted the issue of imprisoned IRA members as an example of matters requiring clarification, asserting that "it is obvious that all prisoners must be released" as part of any agreement. Referring to "contradictory statements on every issue" by UK and Irish government representatives, Adams called for "direct and unconditional dialogue". Major responded on Dec. 22, while visiting Belfast, that *Sinn Féin* had "an opportunity for peace", but he criticized Adams for "delaying tactics", asserting that "the joint declaration is perfectly clear" and "there is no need for fresh negotiations". His insistence that an end to IRA violence must be made

evident over a sustained period before *Sinn Féin* could join the dialogue was echoed in a statement by Reynolds to the Irish Senate.

The IRA announced on Dec. 23 its customary Christmas ceasefire, but ended it with a mortar bombing at a rural police station early on Dec. 27, wounding two civilians. In its New Year message issued on Dec. 29 the IRA called again for unconditional talks but did not reject outright the Downing Street Declaration initiative. The following day, however, it acknowledged responsibility for shooting dead a British Army soldier in the border town of Crossmaglen, the first such IRA killing since the Dec. 15 initiative.

■ Last article pp. 39754-55; reference article p. R128.

FRANCE

Controversy over private schools law

The hitherto cordial relationship between the socialist President François Mitterrand and Prime Minister Edouard Balladur of the Gaullist *Rassemblement pour la république* (RPR) came under intense pressure when on Dec. 15 the Senate approved a new law allowing greater local government funding of private (mainly Roman Catholic) schools.

The new law repealed the *Loi Falloux* of 1850, which had limited local government subsidies to 10 per cent of a school's total investment. The government claimed that increased subsidies were urgently required to ensure the physical safety of children in private schools in need of repair.

On Dec. 17 Mitterrand criticized the government's hasty move, saying that in his 35-year parliamentary career "I have never seen anything like it". Widespread demonstrations by teaching unions closed schools across the country.

Charges against Tapie

The former government minister Bernard Tapie was charged on Dec. 22 with "abuse of social goods" by magistrates in Béthune investigating his alleged involvement in corrupt business dealings. The launch of the judicial inquiry was made possible after the National Assembly on Dec. 7 decided, by 432 votes in favour and 72 against, to lift Tapie's parliamentary immunity [see also p. 39752].

On Dec. 2 the *Conseil constitutionnel* (Constitutional Council) had refused to annul the election of Tapie as deputy for a suburban Marseilles constituency.

Decision against Lang and other deputies

The former socialist Minister of Culture, Jack Lang, was forced to relinquish his parliamentary seat (as deputy for a constituency in Blois, Loir-et-Cher) and was barred from contesting elections for one year after the Constitutional Council on Dec. 9 found him guilty of exceeding the legal limit (F 500,000—about US\$8,600) allowed for campaign expenses during the last general election.

Lang was the third deputy thus unseated; one RPR deputy and one from the *Union pour la démocratie française* (UDF) had already been

unseated in November for breaking the law on campaign expenses. On Dec. 16 a fourth deputy, Christian Etrosi (RPR, representing a Nice constituency), had his election annulled after the Constitutional Council concluded that his campaign expenses had likewise exceeded F 500,000.

■ Last article pp. 39752-53; reference article pp. R107-08.

ANDORRA

General election

Andorra held on Dec. 12 its first general election since the adoption of a formal Constitution in May [see pp. 39385; 39484].

There was a turnout of 80.8 per cent (of a total electorate of 9,675) in voting for the Consell General de las Valls d'Andorra (legislature), which comprised 28 seats, 14 of them elected on a national list and 14 in seven dual-member constituencies (parishes).

The National Democratic Grouping (AND) of Óscar Ribas Reig, outgoing President of the Council (head of government), took 26.4 per cent of the national list vote (four seats), against 22 per cent (three seats) for the Liberal Union (UL), 19.1 per cent (three seats) for New Democracy (ND), 17.2 per cent (two seats) for the National Andorran Coalition (CNA) and 15.3 per cent (two seats) for the social democratic National Democratic Initiative (IDN). Provisional results gave no breakdown of constituency-elected members by party. A coalition government was due to be appointed in mid-January 1994.

■ Last articles pp. 39385; 39484; 39530; reference article p. R98.

SPAIN

Bank crisis

After market rumours of the imminent failure of the Spanish Bank of Credit (Banesto), trading in its shares was suspended on Dec. 28. The Bank of Spain (central bank) dismissed its board of directors and appointed a new five-member board drawn from five different banks.

Banesto, engaged in a bid to expand its market share, had recorded losses of 5,700 million ptas in the first nine months of 1993, and was found in December to require the equivalent of around US\$3,500 million to balance its assets and liabilities (US\$1.00-142.95 ptas as at Dec. 31, 1993). The dismissed chairman, Mario Conde, had been critical of the socialist government, and had been seen as likely to enter politics on the right-wing. He had been under investigation by Spanish intelligence, and it was reported that he might be connected to corruption scandals in Italy through the sale of his share of a pharmaceuticals firm before he became Banesto chairman in 1987.

■ Last article p. 39752; reference article pp. R123-24.

ITALY

PDS successes in municipal elections

The Democratic Party of the Left (PDS), successor to the Italian Communist Party (PCI), scored an important victory in the second round of voting in municipal elections held on Dec. 5 [see p. 39751 for the first round held on Nov. 21], when PDS or PDS-supported mayoral candidates won run-off contests in the key cities of Rome, Naples, Genoa, Venice and Trieste as well as in other smaller towns. In Rome the PDS-backed candidate, Francesco Rutelli of the Green Party, defeated Gianfranco Fini, leader of the neo-fascist Italian Social Movement (MSI), by 53.1 to 46.9 per cent. In Naples Antonio Bassolino (PDS) won 55.6 per cent against 44.4 per cent for the MSI's Alessandra Mussolini, granddaughter of the former Italian dictator, thus dealing a blow to the MSI's hopes of consolidating its grip, after the first round, as the major right-wing force in the south.

Meanwhile, across northern Italy the advance of the populist Northern League (LN) was checked, with Adriano Sansa (PDS) defeating Enrico Serra in Genoa by 59.2 to 40.8 per cent, and Massimo Cacciari (PDS) defeating Aldo Mariconda in Venice by 55.4 to 44.6 per cent.

In Trieste, the only city where the PDS formed an alliance with the Christian Democratic Party, Riccardo Iilly (PDS) won 53 per cent against 47 per cent for the extreme right-winger Giulio Staffieri.

Northern League congress

A special LN congress in Milan on Dec. 12, in preparation for a general election expected in March 1994, saw the launching of a call by party leader Umberto Bossi for a "liberal democratic" alliance, to fill the vacuum being left by the beleaguered Christian Democrats and to block the possibility of a PDS-led victory.

Bossi referred to the possibility of an alliance with, among others, media magnate Silvio Berlusconi, reported to be planning the launch of a party of his own. Bossi also presented a draft constitutional plan to divide Italy into three federated republics, in the north, centre and south, each of which would have its own parliament and prime minister and control its own tax revenues.

Preparations for the congress had been thrown in turmoil after the LN's former treasurer, Alessandro Patelli, became the first League official to be arrested on corruption charges, on Dec. 7.

Although Patelli admitted accepting L 200 million in bribes from the struggling Ferruzzi group of companies, Bossi provoked further controversy by accusing President Oscar Luigi Scalfaro of allowing this prosecution to go ahead while protecting PDS and former PCI leaders from prosecution. Bossi's outburst led the President to declare that he would sue him for defamation.

Bossi himself was summoned to court on Dec. 20 on charges of having broken the law on the financing of political parties.

PSI decision on creating new political movement

On Dec. 16 the national assembly of the Italian Socialist Party (PSI), whose loss of popular support was attributed to its involvement in the corruption scandals and especially to the role of former party leader Bettino Craxi (who had been forced to step down in February 1993—see pp. 39337-38), voted by 156 to 116 in favour of forming a new political movement.

The new formation, led by Ottaviano Del Turco (the PSI secretary-general since May—see p. 39481), would have a different name, symbol and structure, and would seek an alliance with the PSI's former communist rivals now grouped in the PDS.

Developments in Andreotti investigation

Magistrates produced a photograph on Dec. 15 apparently substantiating charges that the former Christian Democrat Prime Minister Giulio Andreotti had had dealings with the Mafia.

The photograph, 14 years old, showed Andreotti and other DC leaders with Nino Salvo, one of two cousins, both powerful Mafia figures, who was believed to have been a key link between him and the Mafia. It had been seized from the files of a former photo-journalist, Letizia Battaglia, now a parliamentarian for the anti-Mafia Network (*La Rete*).

Approval of budget

The Chamber of Deputies and the Senate approved the 1994 budget on Dec. 19 and Dec. 22 respectively, clearing the way for Scalfaro to dissolve parliament and call an early general election in 1994. Prime Minister Carlo Azeglio Ciampi had refused to allow dissolution until the budget became law.

The budget would seek to produce a surplus of L 34,000,000 million by taking L 32,000,000 million out of the economy, mainly through public spending cuts and the rest through tax increases (US\$1.00-L 1,536.95 as at Dec. 30, 1993). The budget deficit would be cut from 10.5 per cent to 8.7 per cent of gross domestic product (GDP).

Italy's first major privatisation began on Dec. 6 with the offer of shares in Credito Italiano, the country's sixth-largest bank. The sale was expected to raise L 1,800,000 million.

■ Last article pp. 39751-52; reference article pp. R113-14.

GREECE

Resignation of senior military officers

The *Financial Times* of Dec. 20 alleged that "the country's military command structure [had] been virtually wiped out" by the resignation on Dec. 18-19 of 35 senior military officers, in protest at plans to reappoint four retired officers loyal to the socialist government.

Abolition of press law

A controversial press law introduced in December 1990 [see p. was abolished on Dec. 7. The law had prescribed prison sentences or

heavy fines for journalists or editors who published statements made by alleged terrorists.

■ Last article p. 39755; reference article p. R111.

TURKEY

Anti-terrorism agreement with Iran

A security co-operation protocol with Iran was signed in Ankara on Dec. 2. Further joint efforts to curb cross-border activities by the Kurdish Workers' Party (PKK) were announced during visits to Ankara by the Iranian Foreign Minister Ali Akbar Vellayati and Iranian First Vice-President Hassan Ebrahim Habibi on Dec. 19-22 [see also p. 39755].

Measures to suppress the PKK in Lebanon were discussed by Prime Minister Tansu Ciller and her Lebanese counterpart Rafiq al-Hariri at meetings in Ankara on Dec. 16-17. Syrian officials and the PKK denied unconfirmed reports in late December of the arrest and subsequent murder of the Syrian-based PKK leader Abdullah Ocalan.

New head of DEP

The pro-Kurdish Democracy Party (DEP—not HEP as given on p. 39755) held its founding congress in Ankara on Dec. 12. Hatip Dicle, said currently to be one of the most radical Kurdish deputies in parliament, was elected as president. The outgoing DEP president Yasar Kaya, recently arrested and sentenced on charges of sedition [see pp. 39657; 39755], had been released on Dec. 7 to attend the congress.

A Security Court in Istanbul on Dec. 24 imposed a four-year sentence under anti-terrorist laws on the editor of the Kurdish daily *Ozgur Gundem* ("Free Agenda") owned by Kaya. A

two-month ban on its publication was imposed at the same time.

Killing of Turkish diplomat

The Iranian opposition *Mojahedin-e-Khalq* apologized for its part in the killing of a Turkish diplomat in Baghdad on Dec. 11, saying that it had mistaken him for an Iranian government official.

■ Last article pp. 39755-56; reference article pp. R125-26.

IN BRIEF

ALBANIA: On Dec. 26 a court in the capital, Tirana, using legislation against privilege which dated back to the communist era, convicted 10 erstwhile members of the Communist Party politburo and sentenced them to prison terms of between six and eight years for using state funds to pay for private luxuries.

BLACK SEA ECONOMIC CO-OPERATION: Foreign Ministers of the member states of the Black Sea Economic Co-operation group (which comprised Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, and Ukraine), meeting in the Bulgarian capital Sofia on Dec. 9, agreed to establish a Bank for Black Sea Trade and Development, to be based at Thessaloniki in Greece.

COMMONWEALTH OF INDEPENDENT STATES: At a summit meeting of CIS heads of state, held in the Turkmen capital Ashkabad on Dec. 23-24, Russia reportedly secured bilateral military agreements with Armenia, Azerbaijan, Belarus, Kazakhstan, Kirgizstan, Tajikistan and Turkmenistan, which formally abolished the unified defence command. The *Independent* of Dec. 24 described the agreements as giving Russia "the right to oversee military policies".

CYPRUS: Following elections to the Assembly of the self-proclaimed Turkish Republic of Northern Cyprus (TRNC) on Dec. 12, a coalition was announced on Dec. 31 between the Democratic Party,

backed by TRNC President Rauf Denktash, and the leftist Republican Turkish Party, whose leader Ozker Ozgur advocated compromise in negotiations over Cypriot unification. Democratic Party leader Hakkı Atun was named as Prime Minister-designate.

LIECHTENSTEIN: A government was sworn in on Dec. 15, continuing the coalition between the Patriotic Union (VU) and the Progressive Citizens' Party (FBP) and including two women members; it was headed by Mario Frick, 28, the VU's leading candidate in the October general election (the second election of the year—see p. 39702).

MACEDONIA: The new head of the Macedonian Orthodox Church, Archbishop Mihail, was enthroned on Dec. 5; he was reported to have the backing of Macedonian nationalists and to be an active supporter of the dominant Internal Macedonian Revolutionary Organization-Democratic Party of Macedonian National Unity.

PORTUGAL: In local elections on Dec. 12 the opposition Socialist Party (PS) won 35.82 per cent of the vote in a 65 per cent turnout; the ruling Social Democratic Party (PSD) finished second with 34 per cent, while a left-wing alliance including the Communist Party (PCP) won 12.5 per cent and the Democratic Social Centre (CDS) 8.5 per cent. The PS extended its control in Lisbon, the capital, and in Oporto, while the PCP retained nearly all the 50 councils it had won in 1989.

ROMANIA: Major demonstrations led by students and trade unionists took place in Bucharest in the days leading up to Dec. 21 (the anniversary of the 1989 revolution), demanding the resignation of the government of Nicolae Vacaroiu, which had survived a parliamentary vote of confidence on Dec. 17 by only 13 votes.

SWITZERLAND: on Dec. 8 the Federal Assembly (*Bundesversammlung*) carried out the annual presidential elections for 1994, when incumbent Vice-President Otto Stich would become President (an office he had already held in 1988) and Kaspar Villiger, would be Vice-President.

MIDDLE EAST - ARAB WORLD

MIDDLE EAST

Israel-PLO failure to meet Dec. 13 deadline

The deadline of Dec. 13, labelled as "sacred" by the Palestine Liberation Organization (PLO), nevertheless passed without agreement on the required protocol for Israel to begin withdrawing troops from the Gaza Strip and the Jericho area, under the terms of the PLO-Israel September peace accord [see pp. 39658-62]. As of early January 1994 the two sides were still negotiating.

The principal issue of disagreement holding up the start of the withdrawal was that of security arrangements for border crossings between the Palestinian entity and Jordan and Egypt. The PLO was pressing for Palestinian control of the border crossings; Israel, however, argued that it had to maintain control of the international crossings because once people had entered Gaza or Jericho it would be difficult to control their access into Israel. Other disputed as-

pects of the protocol included the boundaries of Jericho and the security of Jewish settlers.

A whole range of meetings took place in December in an attempt to reach an agreement on the withdrawal. At the same time negotiations on non-security and economic issues were held during December in El-Arish, Egypt, and in Paris.

PLO Chair Yassir Arafat and Israeli Prime Minister Itzhak Rabin held a meeting in Cairo, the Egyptian capital, on Dec. 12 [see p. 39708 for Arafat-Rabin meeting in early October]. At a press conference afterwards, Rabin acknowledged that the two sides had "found certain differences in the interpretation of the deal".

On Dec. 9 Arafat had held a brief meeting with Israeli Foreign Minister Shimon Peres in Spain (during his trip to Europe Arafat also visited Germany, the UK and Ireland). Peres went on to hold talks with senior PLO officials in Norway on Dec. 18-19 and in France on Dec. 21-23.

Peres held a series of talks with Mahmoud Abbas, a leading PLO official, in Cairo on Dec. 27-29. At the end of the talks the two sides held a press conference, and Peres said that there had been "a meeting of the minds on the central issues of border crossings, the size of Jericho and matters relating to the Gaza Strip". Abbas described the talks as "constructive". However, shortly before the press conference, the PLO executive committee had issued a statement from Tunis rejecting proposals put forward by Peres during the talks.

According to the *Financial Times* of Dec. 30 the Tunis statement "fuelled speculation that Arafat was deliberately undercutting the position of Abbas". Abbas and other senior Palestinian figures including Yasser Abd Ar-Rabbuh, Sulayman An-Najjar and Ahmed Qurei, had reportedly been at loggerheads with Arafat for several weeks over the latter's management of the peace talks. Abbas and the others were reportedly attempting to persuade Arafat fully to democratize the PLO.

Reports of the Dec. 10 resignation of Hanan Ashrawi as spokeswoman for the Palestinian delegation at the Washington peace talks linked the

move to growing criticism of Arafat's leadership. After her resignation, Ashrawi announced her intention to establish a Palestinian human rights group.

Diplomatic developments

Christopher tour - Agreement on Assad-Clinton meeting

US Secretary of State Warren Christopher toured the Middle East in early December. After meetings with Syrian President Hafez al-Assad and Foreign Minister Farooq ash-Shar' in Damascus (the Syrian capital), Christopher announced on Dec. 9 that US President Bill Clinton had agreed to hold a meeting with Assad in early 1994.

The US side agreed to the meeting after Syria had agreed to resume bilateral negotiations with Israel in Washington in late January or early February 1994. The last round of bilateral negotiations had taken place in September 1993.

Syria had also agreed to assist a US team investigating the disappearance of Israeli soldiers in Lebanon in 1982-86. In addition, Assad had told Christopher that Syrian Jews wishing to leave the country would be granted exit visas. The USA, in turn, agreed to allow Kuwait to donate three US-built airliners to Syria.

Repatriation of deportees

On Dec. 15 Israel permitted the repatriation of some 200 Palestinian deportees, the last of the group of around 400 deported to Lebanon in December 1992 [see pp. 39224-25].

Unrest in occupied territories

There was serious violence in the occupied territories during December, largely centred on the West Bank and especially around Hebron [see p. 39757 for violent incidents in November, when unrest was concentrated in the Gaza Strip].

On Dec. 1, fighters from *Qassem, the military wing of Hamas*, the foremost "rejectionist" force in the occupied territories, shot dead an Israeli woman in the West Bank town of al-Birah, an action which prompted mass demonstrations by Jewish settlers. Two Jewish settlers (a father and his son) were killed by *Qassem* guerrillas on Dec. 8 in Hebron. The killings came after days of tension between settlers and Palestinians in the area.

Three Palestinians were shot dead in the West Bank village of Tarqumiya on Dec. 10. Responsibility for the attack was claimed by a hitherto unknown group, the "Sword of David", which was believed to be linked to the far-right Jewish *Kach* movement.

Unidentified gunmen shot dead two Israelis in Ramallah, in the West Bank on Dec. 22. Thousands of settlers demonstrated across Israel in protest at the killings.

Three Palestinians were killed in clashes with Israeli troops in Gaza on Dec. 13. Muslim cleric Shaikh Khaled Saqallah was assassinated in Gaza on Dec. 7.

■ Last article pp. 39756-57.

JORDAN

New Cabinet

King Hussein reshuffled the Jordanian Cabinet on Dec. 1.

Although nearly half of the new Cabinet were new appointments or had altered responsibilities, there were few significant changes to the caretaker Cabinet appointed in May [see p. 39486] to oversee November's multi-party elections [see p. 39758], the key portfolios staying in the same hands. Rima Khalaf, Minister of Trade and Industry, became the first woman to hold an important economic post in the Cabinet.

■ Last article p. 39758; reference article pp. R139-40.

ISRAEL

Mutual recognition agreement with Vatican

Israel and the Vatican signed an accord providing for mutual recognition at a ceremony in Jerusalem on Dec. 30. The accord was the most important step in Israeli-Vatican relations since the creation of the Jewish state in 1948. Officials from the two sides expressed hopes that it would after 2,000 years help to bring about reconciliation between Christians and Jews.

Under the terms of the accord, the Vatican undertook not to intervene in "temporal conflicts". Israel agreed to recognize the Catholic Church in Israel and its right to promote its own religious and scholastic institutions.

The preamble to the accord contained a reference to the "singular character and universal meaning" of the Holy Land. However, there was no specific mention of Jerusalem in the accord.

It was stated in the *Jerusalem Report* of Jan. 13 that a secret appendix to the accord agreed to the establishment of full diplomatic relations by June 1, 1994.

Other diplomatic relations

Israel resumed diplomatic relations with Laos, Botswana and Vanuatu on Dec. 6, 7 and 16 respectively.

■ Last article pp. 39757-58; reference article pp. R138-39.

IRAQ

Acceptance of weapons monitoring

The UN Security Council on Dec. 3 welcomed Iraq's acceptance of long-term weapons monitoring under UN Security Council Resolution 715 (1991) [see pp. 38548; 39576; 39758]. It stressed, however, that Iraq's cooperation with the monitoring programme could only be confirmed after "a sustained period".

A joint report signed by Iraq and the UN on Dec. 1 which summarised the outcome of four rounds of disarmament talks held since July [see pp. 39616; 39663; 39710; 39758], called for further talks in January.

Progress on weapons dismantling

The UN Special Commission on Iraq stated on Dec. 14 that it had completed the destruction of the country's stock of 155mm artillery shells filled with mustard gas.

A first consignment of irradiated uranium was flown out to Russia for disposal under the supervision of UN inspectors on Dec. 5 [see p. 39439]. The remaining consignments of an estimated 35 kg of uranium were due to be removed in 1994.

UNCHR resolution on human rights

The UN Commission on Human Rights (UNCHR) voted on Dec. 6 in favour of a resolution condemning the abuse of human rights in Iraq.

Withdrawal from Kuwaiti zone

The UN Iraq-Kuwait Observer Mission (UNIKOM) said in a communiqué on Dec. 15 that Iraq had begun the evacuation of the Kuwaiti sector of the town of Umm Qasr [see p. R140], which had been the scene of protests by local Iraqi farmers in November [see pp. 39758-59].

Reported assassination attempt

At least 60 senior officials were reported in late December to have been arrested, and some 120 army officers executed, following an abortive car-bomb attack on President Saddam Hussein on Sept. 24.

Clashes in Kurdistan

More than 50 people were reported killed in late December during clashes between partisans of the Patriotic Union of Kurdistan (PUK) and the pro-Iranian Islamic League of Kurdistan (ILK) in the Kurdish towns of Arbil and Sulaymaniya on Dec. 20.

1994 budget

The Iraqi News Agency (INA) reported on Dec. 29 that the Cabinet had agreed to endorse the 1994 budget and investment plan after ordering cuts of 25 per cent in the 1993 budget.

Release of Western prisoners

Three UK nationals, Michael Wainwright and Paul Ride (both imprisoned since 1992 on charges of illegal entry into Iraq—see pp. 39069; 39487) and Simon Dunn (imprisoned since June 1993 for the same offence), were released on Dec. 9; two other nationals from France and Germany, held since June on similar charges, were freed on Dec. 14 [for release of other Western nationals see pp. 39663; 39759].

In late December the UK announced that it would transfer some frozen Iraqi assets to a UN fund for Iraqi humanitarian relief and weapons dismantling. The UK denied that it had acted in response to the release of the three UK nationals held in Iraq.

■ Last article pp. 39758-59; reference article pp. R137-38.

KUWAIT

Assessment of losses resulting from Iraqi invasion

Adel Assam, general manager of the Kuwaiti Public Authority for Assessment of Compensation for Damages Resulting from Iraqi Aggression, stated on Dec. 6 that preliminary estimates for losses arising from Iraq's 1990-91 invasion and occupation of Kuwait had reached US\$170,000 million.

Assam said that some two-thirds of this amount would be claimed through the UN Compensation Commission which handled a fund, to be financed by Iraq's oil exports, to pay damages incurred by foreign governments and nationals during the Gulf War. The remaining amount included the cost of Kuwaiti payments to members of the US-led military alliance which had defeated Iraq.

■ Last article p. 39577; reference article p. R140.

IRAN

Appointment of provincial governor

The first governor-general of the province of Ardebil was named on Nov. 29 as Mahmud Ahmadi-Nehzad.

The creation of Ardebil as the country's 25th province was first proposed in 1992 and approved formally by the *Majlis* on April 12, 1993. The former province of East Azerbaijan was thereby divided into Central Azerbaijan (capital, Tabriz) and Ardebil (capital, Ardebil).

Replacement of free trade zone administrators

President Ali Akbar Rafsanjani replaced the administrative heads of the Qeshm, Kish and Shah Bahar free trade zones on Dec. 2 amid reports that they had opposed new government regulations restricting imports.

The three zones, whose special status had been formally recognized in September 1993, were established to attract foreign investment and boost non-oil exports. Recently the zonal heads were reported to have taken advantage of the relaxation in import rules introduced in July [see p. 39577], fuelling criticism that they had neglected to promote the zones as centres of export and tourism. On Nov. 27 the government responded by restoring tighter controls on import activities in the three zones.

UN condemnation of human rights violations

The UN General Assembly on Dec. 21 voted by 74 in favour to 23 against, with 51 abstentions, to condemn Iran for human rights violations. On Dec. 7 the government had strongly denounced a resolution by the UN Commission on Human Rights (UNCHR) censuring Iran's human rights record [see p. 39759].

IAEA inspections

The International Atomic Energy Agency (IAEA) said in Vienna on Dec. 2 that on Nov. 15-21 it had inspected installations at three nuclear sites—in Isfahan, Karaj and Tehran.

An IAEA inspection in February 1992 had found no evidence of military-related work [see p. 38789].

Death of Grand Ayatollah

The most senior Shia cleric, Grand Ayatollah Muhammad Reza Golpayegani, 96, died of a heart attack in Tehran on Dec. 9. He was succeeded by Ayatollah Muhammad Ali Araki.

■ Last article p. 39759; reference article pp. R136-37.

YEMEN

Moves to end political crisis

Some progress was made in December towards settling the political crisis which had led to a serious deterioration in relations between northern and southern Yemen [see pp. 39711; 39759].

With the assistance of Jordanian mediation, representatives of the General People's Congress (GPC) and the Yemeni Socialist Party (YSP), the two main protagonists in the crisis, opened talks in early December aimed at "ending the escalation on the military and information fronts". Shortly after the opening of these talks the GPC leader and Yemeni President, Lt.-Gen. Ali Abdullah Saleh, announced that he fully accepted an 18-point reconciliation programme submitted by the YSP leader and Vice-President Ali Salim al-Bid. However, as of late December Bid was still refusing to leave his southern base in Aden.

■ Last article p. 39759; reference article pp. R146-47.

UNITED ARAB EMIRATES

BCCI affair

On Dec. 25 the Abu Dhabi government, the principal shareholder in the failed Bank of Credit and Commerce International (BCCI) which had collapsed in July 1991 [see p. 38355], launched a US\$9,000 million civil action in the local courts against 13 former executives of the bank. If successful the action would substantially reduce payouts to the bank's other hundreds of thousands of creditors.

Of the 13 former BCCI executives, 11 were in custody in Abu Dhabi, having been accused in the criminal court of charges including breach of trust, forgery and false accounting. Another defendant in the civil action—Syed Ali Akbar—was serving a six-year prison term in the UK, having been found guilty of false accounting in September 1993 [see p. 39654].

■ Last article p. 39488; reference article pp. R145-46.

EGYPT

Arrests and executions

On Dec. 4 the security forces arrested nine men whom they suspected of attempting to assassinate Prime Minister Atef Sidki in late November [see p. 39759].

The nine were reported to be members of the Islamic group Vanguard of Conquest, or New *Jihad*, an offshoot of the *Jihad* organization. Members of the group were reported to have confessed that the attack was carried out on the orders of Ayman Zawahiri, a *Jihad* leader who was believed to live in Geneva.

A member of the Vanguard of Conquest and two members of the Islamic "19 Organization" were hanged in Alexandria on Dec. 16 after being convicted of carrying out terrorist operations [for executions carried out in November see pp. 39759-60]. Six members of the Vanguard of Conquest convicted of security offences were hanged in Cairo on Dec. 20. Their execution brought to 29 the number of Islamists hanged in 1993.

In December the higher state security court sentenced a member of the *Gamaat Islamiya* group to death for killing Islamic scholar Farag Foda in June 1992. A number of other defendants were acquitted, including Safwat Abdel-Ghani, leader of the *Gamaat Islamiya*. Abdel-Ghani had been acquitted in the same court in August of taking part in the 1990 assassination of parliamentary Speaker Rifaat el-Mahgoub [see p. 39617].

As many as 18 police officers were killed in attacks carried out by Islamist gunmen during December, the highest monthly total since the outbreak of Islamist unrest in 1991.

The *Gamaat Islamiya* claimed responsibility for an attack on a tourist bus in Cairo on Dec. 27 in which eight Egyptians and eight Austrians were injured.

Cairo rock-fall disaster

At least 30 people were killed on Dec. 14 when a massive piece of rock broke off the Moqattam hills and rolled down on to houses in the Manshiat Nasr district of east Cairo.

■ Last article pp. 39759-60; reference article pp. R135-36.

LIBYA

Lockerbie bombing lawsuit and controversy

It was announced on Dec. 15 that Pan American World Airlines was suing Libya for US\$300 million for the bombing of Flight 103, which killed 270 people at Lockerbie, Scotland, in December 1988 [see pp. 36409-10].

Pan Am, which was in liquidation, had brought the action against the state of Libya, Libyan Arab Airlines, and two Libyan citizens accused of carrying out the attack, claiming damages for the destruction of its airliner and for subsequent loss of business. The suit was filed a matter of days before the five-year time limit for the expiry of claims under Scottish law.

A radio programme transmitted by the British Broadcasting Corporation (BBC) on Dec. 21, however, raised doubts over the attachment of sole blame to Libya.

The programme, *Silence over Lockerbie*, alleged that the bomb attack was in fact ordered by Iran, in retaliation for the US attack on an Iranian Airbus in the Gulf in July 1988 in which 290 people were killed [see pp. 36169-70]. Iranian officials, it claimed, then commissioned the Syrian-backed radical Popular Front for the Liberation of Pales-

tine—General Command (PFLP-GC) to carry out the attack, but members of the PFLP-GC cell established to carry out the attack were arrested in Germany and the faction's leader, Ahmed Jibril, was obliged to secure Libyan assistance to complete the Iranian contract.

Disappearance of prominent dissident

The reported disappearance in mid-December of Mansur Kikhiya, a former foreign minister and a prominent Libyan dissident, from Cairo, the Egyptian capital, led to speculation that he might have been abducted by Libyan agents. Kikhiya's disappearance coincided with a series of increasingly outspoken attacks on exiled dissidents by Libyan revolutionary leader Col. Moamar al-Kadhafi. A few days before Kikhiya's disappearance, Kadhafi had reportedly called for the assassination of another former foreign minister, Abdel-Monem al-Houni.

The *Financial Times* of Dec. 21 reported that US President Bill Clinton had issued a personal appeal to Egyptian President Mohammed Hosni Mubarak on behalf of Kikhiya, who held a US work permit and ran a business in the US state of Missouri.

■ Last article p. 39760; reference article pp. R141-42.

ALGERIA

One-month extension of HCS mandate

In a statement issued on Dec. 19 the ruling High Committee of State (HCS) announced that it would not stand down by Dec. 31 as planned. Plans to hold a national referendum on the country's political future before the end of 1993 had been abandoned by the HCS in November [see p. 39760].

The *Middle East Economic Digest* of Jan. 7 claimed that the delay reflected the failure of the HCS to reach agreement on key issues, particularly its response to the escalating Islamist rebellion. On its takeover in January 1992, the HCS had said that it would assume presidential powers "until the necessary conditions are provided for the normal functioning of institutions and the constitutional order", and that this would be for a period until December 1993 at the latest [see pp. 38702-03].

In its Dec. 19 statement, the HCS said that its mandate would now end on Jan. 31 with the swearing-in of a new collective presidency. The new body was expected to be chosen at a national dialogue conference scheduled for Jan. 25-26.

Withdrawal of senior opposition figures from talks with dialogue committee

Talks on the creation of a new collective leadership continued in December between opposition parties and the Committee for National Dialogue (CND), the body established by the HCS in October to conduct negotiations [see p. 39712]. However, a number of senior opposition leaders, including former President

Ahmed Ben Bella (leader of the *Mouvement pour la Démocratie en Algérie*), pulled out of the dialogue when it became known that the HCS was planning to extend its mandate.

In early December Maj.-Gen. Mohammed Touati, one of three military members of the CND, indicated that the Committee was willing to talk with representatives of the moderate wing of the banned *Front Islamique du Salut* (FIS). However, such overtures were reportedly rejected by other leading military personnel and politicians (including Army Chief of Staff and leading hardliner Maj.-Gen. Mohammed Lamari, and Said Saadi, the influential secretary-general of the *Rassemblement pour la Culture et la Démocratie*).

In a statement issued in Germany on Dec. 17 Rabah Kebir, FIS spokesman-in-exile, said that dialogue with the CND could only take place if all political prisoners were freed and decrees imposing emergency rule repealed.

Continued attacks on foreigners - Other Islamist violence

The Islamist campaign against foreigners, which had started in September [see pp. 39665; 38712-13; 39760], escalated in December. The Armed Islamic Group (GIA) had imposed a Nov. 30 deadline for all foreigners to leave Algeria or face attack. As a result, many governments advised their nationals not to visit Algeria unless absolutely necessary.

In the worst incident to date, 12 Croatian and Bosnian citizens—all Christians—were stabbed to death on Dec. 14 in Tamezguida, some 60 km south-west of Algiers, where they worked for a power company. The GIA claimed responsibility for the attack in a communiqué released on Dec. 16.

The GIA also claimed responsibility for the deaths of a Spaniard, a Russian, a Frenchman and a Briton in separate attacks carried out in early December. However, the security forces claimed that the attack on the British national on Dec. 8 had not been politically motivated. A Belgian woman and her Algerian husband were killed in Bouira on Dec. 29.

Throughout December Algerian state radio reported numerous attacks by Islamists on prominent officials, including a leading judge and a Foreign Affairs Ministry official. Reports were also broadcast detailing the killing of groups of "terrorists" by members of the security services.

IMF talks

Talks between the government and the IMF opened in late November. Negotiations on a new standby loan had been stalled since the expiry of the previous facility in March 1992. According to the *Middle East Economic Digest* of Dec. 10, Algerian officials "indicated a new commitment to reform which could speed an IMF accord".

■ Last article p. 39760; reference article pp. R133-34.

GULF CO-OPERATION COUNCIL

Summit conference

The 14th summit of the Gulf Co-operation Council (GCC) took place in Riyadh, Saudi Arabia, on Dec. 20-22. It was attended by the heads of state of all six member countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE).

The summit provided an opportunity for the six to assess the impact of low oil prices on their economies. In its final communiqué the Council said that its members were "prepared to contribute to reducing current [oil] production if all countries within and outside OPEC agree to and abide by a comprehensive plan to reduce production in a balanced manner".

According to the *Middle East Economic Digest* of Jan. 7, 1994, joint security arrangements were a central topic at the summit. However, the six states failed to finalize plans agreed by defence ministers in November [see p. 39761] to strengthen the Peninsula Shield Force, the organization's Saudi-based rapid deployment force. Plans to integrate GCC air defences and establish a joint early warning system were discussed at the summit.

Other topics discussed included: (i) implementation of UN Security Council resolutions pertaining to "Iraqi aggression"; (ii) relations with Iran, and in particular the territorial dispute between the UAE and Iran [see p. 39293]; (iii) the Middle East peace process and the peace agreement between Israel and the PLO [see pp. 39658-62]; and (iv) the situation in Bosnia-Herzegovina [see pp. 39784-85].

■ Last article p. 39761; reference article p. R147.

IN BRIEF

BAHRAIN: Shaikh Isa bin Ali bin Hamad al-Khalifa, a member of the ruling family, was appointed as Minister of Labour and Social Affairs on Dec. 6; he succeeded Shaikh Khalifa bin Sulman bin Mohammed al-Khalifa, who had died in July 1993.

LEBANON: The East Beirut headquarters of the Christian Maronite *Al Kata'eb* (the Phalangist Party) was destroyed on Dec. 20 in a bomb attack in which three people died and 130 others were wounded—the worst incident of its kind since the November 1991 bombing of the American University in Beirut [see p. 38597].

MOROCCO: Prime Minister Mohammed Karim Lamrani announced at the end of a visit to Madrid on Dec. 3-4 that Spain had agreed to provide a new five-year credit package worth some US\$1,056 million [for previous package, signed in 1988, see p. 36245].

SAUDI ARABIA: King Fahd ibn Abdul Aziz inaugurated a 60-strong Consultative Council (*majlis ash-shoura*) on Dec. 29; membership of the Council, which would play only an advisory role, had been announced in August [see p. 39617].

INTERNATIONAL

GATT

Conclusion of Uruguay Round

The Uruguay Round of the General Agreement on Tariffs and Trade (GATT) was formally concluded on Dec. 15, its final deadline. The Uruguay Round protocol would be adopted at a special ministerial session of the GATT Trade Negotiations Committee to be held in Marrakesh, Morocco, on April, 12-15, 1994, and the agreement would come into effect on Jan. 1, 1995, once ratified by the countries concerned.

The Uruguay Round, the eighth such series of multilateral trade negotiations, had been launched in Punta del Este in September 1986 [see pp. 35024-28], and by December 1993 had 117 participants—the GATT member countries, which by this time numbered 114 [see below], plus Algeria, China and Paraguay. The original schedule, for completion of negotiations by the end of 1990, was not met, and successive further deadlines were also missed [see in particular pp. 37930; 38027; 38601-02; 38746; 38888-89; 39297-98; 39580], so that the Uruguay Round eventually lasted rather over seven years, compared with 5½ years for the previous Tokyo Round in 1973-79 [see pp. 29781-85]. In meeting the final Dec. 15 deadline the negotiators made it possible for the US administration to seek congressional approval for the approval of the agreement as a whole, without amendment, under the "fast-track" procedure, rather than making it subject to item-by-item congressional consideration. (Congress had approved several extensions of this "fast-track" authority, most recently by voting, on June 22 and June 30, to move forward the expiry date from May 31 to Dec. 15.)

Final stages of negotiations

Many of the final agreements in practice represented bilateral compromises concluded during intensive bargaining over the first two weeks of December by negotiators for the USA and the European Communities (EC, now the European Union—EU), led respectively by Mickey Kantor (the US Representative for Trade Negotiations) and Sir Leon Brittan (the European Commissioner for External Economic Affairs and Trade). [For discussion of the negotiations at the European Council meeting of Dec. 10-11, see p. 39787.] Among the subjects which were most closely discussed by the USA and the EC during these last-minute negotiations were the films and broadcasting sector, the aerospace industry, agriculture, shipping, taxation, anti-dumping provisions and financial services, with the main tensions arising more specifically between the USA and France.

In particular, France raised objections regarding the opening up of European markets to US film, music and television imports, and insisted that it and other EU countries should be enabled to preserve their "cultural identity". This sector was second only to aerospace in terms of US exports, and was likely to expand as satellite and other broadcasting forms increased; the USA for its part argued that its

producers should share in proceeds from taxes on cinema admissions, video rentals and sales of blank cassette tapes.

As regards aerospace, agreement was provisionally reached on the limitation of subsidies offered by governments to manufacturers of civil aircraft (in the case of the EU, notably in respect of the multinational Airbus project).

The USA and the EU eventually decided that details relating to the audiovisual sector should be left out of the final text, together with most aerospace, shipping and also financial services aspects, although these all still came within the overall framework of the agreement.

Among other issues, Japan and South Korea for their part finally conceded the opening up of their rice markets—a subject which had led to widespread protests in Seoul on Dec. 5 and in Tokyo on Dec. 8. [For announcement of agreement by Japan and South Korea see pp. 39776; 39777.]

Main provisions of Final Act

The main elements of the Uruguay Round Final Act notably provided for the establishment of the Multilateral Trade Organization (MTO) and extended GATT coverage in the fields of agriculture, textiles and clothing, services and intellectual property rights.

Individual countries had also made binding commitments to reduce or eliminate specific tariffs and non-tariff barriers to merchandise trade (such reductions being estimated to amount to more than one-third on average), and had also given initial specific commitments on the liberalization of trade in services.

MTO. The MTO, which would encompass GATT (as modified by the Uruguay Round), would be headed by a Ministerial Conference meeting at least once every two years; a General Council would oversee the operation of the agreement and ministerial decisions on a regular basis, and would act as a dispute settlement body and a trade policy review mechanism.

Agriculture. Agriculture would for the first time be fully covered by GATT rules [for the "Blair House" agreement of November 1992 see pp. 39176-77 and also pp. 39666; 39714]. Non-tariff barriers to trade would be converted into tariffs, and export subsidies would be reduced. In each case the reductions would average 36 per cent over six years (with a 21 per cent cut in the quantity of subsidized exports) for developed countries and by an average of 24 per cent over 10 years for developing countries; no cuts would be required in the case of least-developed countries (LDCs). Transitional help would be provided to LDCs and net food-importing countries. Domestic support for agricultural goods would be reduced by 20 per cent (13.3 per cent on the part of developing countries). Special provision was made for the application of food safety and of animal and plant health regulations ("sanitary and phytosanitary measures").

Services. Under a framework agreement, GATT rules, including most-favoured nation (MFN) obligations, were made applicable to international trade in services; the most important areas covered were financial services, telecommunications and trans-

port (excluding air transport traffic rights), as well as the audiovisual sector [see above], tourism and professional services, and also the movement of workers. Detailed implementation of measures in various of these sectors would be determined in subsequent negotiations.

Intellectual property rights. "National treatment" was to be applied to most intellectual property rights (e.g. patents, copyrights, trademarks and trade secrets), and certain minimum standards of protection would be provided in these fields.

Other aspects. Among other agreements, understandings and decisions forming part of the Final Act were those covering textiles and clothing [see also below], technical barriers to trade, trade-related aspects of investment measures, anti-dumping, customs valuation, pre-shipment inspection, rules of origin, import licensing procedures, subsidies and countervailing measures, safeguards, the settlement of disputes, the trade policy review mechanism, global economic policy-making, and government procurement.

Government procurement agreement

Also on Dec. 15, negotiators from 11 countries, including the USA, and the EU agreed on a new Agreement on Government Procurement which, it was anticipated, would open up to international competition government purchases in a large number of new areas and would reinforce existing rules. [For controversy between EC and USA earlier in 1993 see pp. 39346; 39394; 39441.]

Further extension of MFA

The GATT Textiles Committee on Dec. 9 extended for a further year, unchanged, the Multifibre Agreement (MFA) which originally came into force in 1974 [see pp. 26454-55] and which was at present subscribed to by 44 countries. It was intended that the currency of the MFA should from the beginning of 1995 be brought into line with that of the Uruguay Round agreements, and that the MFA's provisions should be progressively phased out over a 10-year period [for one-year extension in December 1992 see p. 39250].

Accessions to GATT

The membership of GATT was increased to 114 in November-December, with the accession of Fiji on Nov. 16, of Brunei on Dec. 9 and of Bahrain on Dec. 13 [for previous accession see p. 39538]. Each of these countries had since independence been applying the provisions of GATT on a *de facto* basis.

■ Last article p. 39761; reference article pp. R151-52.

NATO

Meeting of foreign ministers

Foreign ministers of the North Atlantic Treaty Organization (NATO), meeting in Brussels on Dec. 2 in advance of the summit meeting scheduled for January, endorsed closer co-operation with east European countries but avoided promising any of them early NATO membership [for request for membership from former Warsaw pact countries see pp. 38541; 38554; 38841; 39250; 39714].

The ministers backed a US plan for "partnerships for peace" [see p. 39714], which would offer bilateral military co-operation to former members of the Warsaw Pact and former Soviet republics, but without firm security guarantees or any timetable for membership of NATO.

US Secretary of State Warren Christopher said that the "partnerships" would allow individual states to send permanent representatives to NATO, to join a planning group and to take part in joint military exercises; these arrangements could be a "step towards NATO membership", but membership would not follow automatically.

The ministers' stance was widely reported as being in deference to Russian opinion [see p. 39714]. Western officials were said to have been anxious not to worsen Russian President Boris Yeltsin's vulnerability to nationalist domestic rivals by expanding NATO in a manner which could be perceived as threatening to Russia.

NACC meeting

Several central and east European foreign ministers made clear their impatience with NATO's stand at a meeting in Brussels on Dec. 3 of the North Atlantic Co-operation Council (NACC), grouping NATO states and former Warsaw Pact members.

Polish Foreign Minister Andrzej Olechowsky and Romania's Teodor Melescanu were among those who were reported to have pressed for firmer timetables for NATO membership. Poland, Hungary and the Czech Republic had been in the forefront of states seeking early NATO membership. Russian Foreign Minister Andrei Kozyrev, on the other hand, urged that more emphasis be put on co-ordinating European security through the NACC and the Conference on Security and Co-operation in Europe (CSCE).

■ Last article pp. 39713-14; reference article pp. R154-55.

DISARMAMENT

Talks on Ukraine

Ukrainian, US and Russian officials met in Kiev, the Ukrainian capital, during the week beginning Dec. 13 to discuss Ukraine's conditions for dismantling and transferring nuclear weapons to Russia [see pp. 38655; 38825; 38878; 38937; 39762]. Ukrainian and US officials later gave differing estimates of the degree of progress made.

Ukrainian Deputy Premier Valery Shmarov said on Dec. 18 that the principle of compensation for weapons transferred to Russia [see p. 39762] had been agreed. On Dec. 21 President Leonid Kravchuk told reporters that there would shortly be a tripartite agreement on Ukraine's demands for compensation, security guarantees, and aid. US officials, however, were more cautious, saying only that there had been progress in the negotiations. In November Ukraine had conditionally ratified the Strategic Arms Reduction Treaty I (START I) but had continued to insist on compensation and Western security guarantees [ibid.].

Shmarov announced on Dec. 20 that Ukraine had removed nuclear warheads from 17 of its 46 advanced SS-24 missiles which it was allowed to keep under START I [ibid.]. He said that three more missiles would be de-activated by the end of 1993 and the rest in 1994. Deputy Foreign Minister Boris

Tarasyuk said on Dec. 22 that the move was a goodwill gesture.

■ Last article p. 39762; reference article pp. R150-51.

CSCE

Foreign ministers' meeting

Foreign ministers of the Conference on Security and Co-operation in Europe (CSCE), representing 52 countries [for admission of Czech and Slovak republics see p. 39250], met in Rome on Nov. 30 and Dec. 1. They focused on the problem of ending regional armed conflicts and preventing the outbreak of new ones, but achieved no major new initiatives.

Russian Foreign Minister Andrei Kozyrev sought a CSCE mandate for Russian peace-keeping operations in the former Soviet Union, but met opposition from other former Soviet republics and caution from some CSCE members. However, ministers did instruct the CSCE Secretariat in Vienna to draw up possible guidelines for such operations.

The foreign ministers of Ukraine and Estonia were among those who argued strongly against any CSCE endorsement of Russian intervention. Sweden's Foreign Minister Margaretha af Ugglas said, without naming Russia, that some countries had declared openly that they had to protect their own interests, but that history prompted understandable reservations about the nature of those interests. Any intervention, she maintained, would need the agreement of all parties and full CSCE supervision. Kozyrev also criticized Ukraine for the time it had taken conditionally to ratify the Strategic Arms Reduction Treaty I (START I) [see p. 39762], and to fulfil its commitment to surrender nuclear weapons inherited from the former Soviet Union. Ukraine's policy, he warned, could provoke a chain reaction and trigger a new cold war.

Ukrainian Foreign Minister Anatolii Zlenko retorted that Ukraine had no intention of taking operational control of the weapons, but that they were an asset for which Ukraine insisted on receiving full compensation.

Greece continued to block the admission of the Former Yugoslav Republic of Macedonia [see also pp. 39698; 39785]. The Federal Republic of Yugoslavia (FRY) remained suspended [see p. 39030].

■ Last article p. 39442; reference article p. R150.

UNITED NATIONS

Creation of new post

The UN General Assembly approved by consensus on Dec. 21 the new post of UN High Commissioner for Human Rights, resolving years of discussion on whether or not to establish such a position.

The post-holder, to be appointed by the UN Secretary-General for a four-year term with the rank of Under-Secretary-General, would engage in dialogue with governments to secure respect for human rights and to prevent human rights violations, and would co-ordinate UN human rights activities.

■ Last article p. 39762; reference article p. R156.



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THE UNIVERSITY OF ILLINOIS AT CHICAGO

Iber 1993

ENVIRONMENT

Biodiversity convention

The Convention on Biological Diversity, agreed at the UNCED "Earth Summit" conference in Rio de Janeiro in June 1992 [see pp. 38947; 39443], came into effect on Dec. 29, having achieved its 30th ratification (by Mongolia) 90 days earlier.

Australia, Canada, China, Japan and Mexico were among those who had ratified, but many developed countries had held back, mainly because of concern that they would be major contributors of funds without corresponding control over expenditure. A world conference on biodiversity was scheduled for Nov. 28-Dec. 9, 1994.

Ratification of global warming convention

It was announced at the UN in New York on Dec. 21 that the framework convention on climate change (the "global warming convention"), also signed at Rio in June 1992 [see p. 38947], had achieved 50 ratifications and would accordingly take effect on March 21, 1994.

On Dec. 12 the European Union (EU, formerly the EC) had agreed to ratify the convention (already ratified individually by Germany and the UK), without the introduction of a Community-wide regime on "carbon taxes", such a regime having been opposed particularly by the UK government.

Disagreement on World Environment Fund

Representatives of more than 70 governments, meeting to discuss restructuring the post-Rio Global Environment Facility (GEF—ibid.) and creating a permanent World Environment Fund, ended their scheduled six-day meeting in Cartagena, Colombia, one day early on Dec. 10.

They failed to agree on replenishing the GEF, which had core funding of US\$1,100 million for the period ending mid-1994, and on whether the ruling council of a permanent fund should have a voting structure weighted in favour of countries providing most money. A further meeting was to be held in February 1994.

■ Last article p. 39763; reference article p. R151.

SPACE RESEARCH

Repair of Hubble telescope

The US space shuttle *Endeavour* undertook on Dec. 2-13 a mission, costed at US\$629 million, to repair the Hubble space telescope, launched in April 1990 [see p. 37394], which had been a considerable embarrassment to the National Aeronautics and Space Administration (NASA) as it had developed a major flaw after only three months [see p. 37551].

Initial impressions were that the flight had been highly successful, although results could not be assessed fully for two months. In the course of the mission the seven astronauts undertook five space walks, including one of over six hours on Dec. 7 when the telescope's camera (taking ultraviolet images of deep space) was replaced and special corrective mirrors were incorporated to compensate for the faulty main mirror.

■ Last article p. 39763; reference article pp. R155-56.

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